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# A SURVEY OF SOCIALISM

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# A SURVEY OF SOCIALISM

## ANALYTICAL, HISTORICAL, AND CRITICAL

BY

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# PREFACE

For nearly forty years I have been interested in socialism. I first felt its fascination in the early nineties, when it came into prominence as the inspirer of the "new unionism" in the struggle to secure a living wage and tolerable conditions of labour for dockers, match-makers, and other depressed groups of manual workers. Never can I forget the profound emotion with which I, in common with an immense company of undergraduates—assembled in the hall of King's College, Cambridge—heard Mr. Tom Mann depict the way of life of the unskilled labourers in Lancashire, and plead on their behalf for a larger liberty, a greater security, a loftier humanity. Vivid, too, in my recollection is the reading, about the same time, of a Minority Report on Unemployment, prepared under the auspices of a number of leading Fabians. I felt the force of its appeal to the sense of community, as opposed to the apparent selfishness of individualism; I was attracted by its obvious solicitude for the welfare of the poor and the oppressed, dwelling forlorn amid the multitude of rich and callous pleasure-seekers; I appreciated its zeal to provide a better environment for the young and for the weak; I was impressed by its arguments for public ownership and control as against the competitive wastefulness of private enterprise. I never, it is true, formally enrolled myself as a member of any socialistic organisation: I do not remember that I was ever invited to do so.

I do, however, think that if at that period I had been called a socialist, I should not—at that period—have felt myself insulted.

Since those remote nineties I have read many socialistic works from the pens of English, American, French, German, Italian, and Russian writers; and many works opposed to socialism. I find that I have on my own shelves, at the moment of writing, an accumulation of some couple of hundred volumes dealing with the subject, and many more have come my way from the shelves of my friends, from the stores of the London Library, and from the inexhaustible vaults of the British Museum. Nineteen notebooks, running to over 1,500 pages in all, embody the results of my miscellaneous reading in socialistic literature, and they are supplemented by a vast collection of newspaper and magazine cuttings.

I frankly and at once confess that the effect of my forty or so years of study, observation, and reflection, has been radically to alter my view of socialism. While still alive to the good work which it has done in calling attention to grave industrial evils, and in rousing the communal conscience by passionate appeals for their removal, I have reluctantly but decidedly been compelled to come to the conclusion that its diagnosis of the diseases of the body politic is so entirely wrong, and the remedies which it proposes so dangerously pernicious, that it is necessary to denounce it as a public peril.

In the following pages I have used the contents of my notebooks in such a way as, first, to analyse the nature of socialism and arrive at its essence; secondly, to trace its origin and development; and, thirdly, to criticise its main principles and conclusions. The work has had to be done in the scanty leisure

moments of a very busy life, and I am aware of many imperfections. I hope, nevertheless, that, although in more favourable conditions it might have been done much better, it contains sufficient authentic material to make it of some service to the large body of British electors who wish to have definite information concerning one of the vastest and vaguest, but at the same time most important, of the great political questions of the day.

F. J. C. HEARNSHAW.

University of London,
King's College.
*February* 2, 1928.

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# INTRODUCTION

"The movement towards socialism is one of the most characteristic of the present time."—PROFESSOR J. S. MACKENZIE.

## § 1. THE IMPORTANCE OF SOCIALISM

As to the present-day importance of socialism there can be no doubt: it has recently been described, without exaggeration, as "the greatest question of our time."* On all sides, indeed, there is a general agreement that its rapid advance and widespread influence constitute the most noteworthy and impressive feature in the world-politics of the moment. One of the ablest of modern German economists begins a remarkable study of the subject with the observation: "Socialism is the keyword of our day. The socialist idea at the present moment dominates the minds of men. The masses hang upon it; it engrosses the thoughts and feelings of everyone; it gives to the age its distinctive character. History, over that section in which it treats of the period wherein we are living, will place the words—the Era of Socialism."† An English writer, whose statement of the argument for socialism is the most effective at present available, expresses the same view when he says: "Nobody can exercise the rights of citizenship intelligently nowadays without clearly understanding the case for socialism. . . . Within the life of a single generation it has drawn to its ranks millions of earnest-

* Dr. Arthur Shadwell in *The Times*, February 8, 1926.

† Mises, L., *Die Gemeinwirtschaft* (1922), p. 1.

thinking men and women; and it has made out its case so convincingly* that in every civilised country its capture of the power of government is now the dominant issue in political conflict. It is sweeping on from strength to strength, challenging the old order with confident boldness. Here in Great Britain its hands are already on the reins of authority."† An American observer of modern European movements concurs with this judgment: "Socialism," he asserts, "has organised the largest body of human beings that the world has known. Its international organisation has but one rival for homogeneity and zeal—viz., the Church."‡

These three utterances, selected from an innumerable multitude similar in trend, not only emphasise the importance of socialism at the present time, but also give us interesting indications as to why, in the opinion of the speakers, it is important. Herr Mises stresses the strength of the hold which it has acquired on the popular mind, the hopes which it excites among the proletariat, the enthusiasm that it arouses in its votaries. Mr. Henderson speaks of the rapidity of its recent advance, of the marvellous increase of its influence, of its imminent capture of political power. Dr. Orth notes the formidable nature of its international organisation, together with the quasi-religious zeal with which its devotees are inspired. Other writers are impressed by the power of the appeal which its propaganda makes to many and varied interests, particularly among the large classes of the unhappy and unsuccessful. To others, again, it seems to owe its importance mainly

* Perhaps "plausibly" would be a more accurate term.

† Henderson, F., *The Case for Socialism* (1924), p. 1.

‡ Orth, S. P., *Socialism and Democracy in Europe* (1913), p. 16.

to the revolutionary character of its proposals and demands; for it avowedly aims not at the mere reform of the existing social order, but at its entire supersession by a new order. Still others find in the subtle and skilful methods with which it captures labour parties, secures control of trade unions, acquires possession of churches, permeates politics, gains ascendancy in administration, and finally takes state-government itself by storm, the main features of its profound significance.

It is, indeed, noteworthy that again and again, as one reads both the eulogies of its supporters and the denunciations of its opponents, one sees it compared with religion, and the zeal of its disciples likened to the enthusiasm of apostles. Thus Professor R. T. Ely says: "Socialism has become a religion to many, and the devotion which it has awakened is such as nothing short of a religious force is able to rouse."* The same opinion—in which, however, the irrationality rather than the enthusiasm of religion is stressed—is the central theme of M. Gustave Le Bon's masterly *Psychologie du Socialisme*;† and quite recently Mr. J. M. Keynes, in his illuminating survey of Bolshevik Russia, has strongly maintained that "we shall not understand Leninism unless we view it as being . . . a missionary religion."‡ Although, in thus regarding socialism, one has to eliminate from religion all its common supernatural connotation, and to concentrate attention upon its emotional and irrational elements, nevertheless it is true that to the great religious movements of world-history we

* Ely, R. T., *Socialism* (1824), p. 72.

† *E.g.*, "Socialism is a faith far more than a doctrine." (English Translation, 1899), p. 62.

‡ Keynes, J. M., *Short View of Russia* (1925), p. 18.

must look for the closest parallels to the swiftness and potency of the modern march of socialism. The sweep of Christianity over the Roman Empire in the days of the apostles; the conquest of the Orient by Islam under the early caliphs; the rush of the Reformation through Teutonic Europe in the age of Luther and Calvin; the mass-triumphs of missionary enterprise in the great period of the evangelical revival—such are the movements which seem most to resemble, both in kinematic rapidity and dynamic influence, the socialist movement of the present day. But, in respect alike of swiftness and of power, socialism exceeds them all. "No propaganda," justly boasts Mr. Bruce Glasier, "has ever made such rapid and far-spread progress in the world."*

## § 2. The Socialist Advance in Britain

If the general advance of socialism throughout the world during the past half-century has been remarkable, much more so has been its progress in Britain. Fifty years ago socialism could hardly have been said to exist in this island. There had been, indeed, as we shall observe later, socialism of a sort there during the distressful generation which followed the Napoleonic war (1815-1848); but it had languished and died in the mid-Victorian period of prosperity (1848-1880). "In 1883," remarked Mr. William Morris, poet and communist, "the British working classes knew nothing of socialism, and—except for a few who had been directly influenced by the continental movement—were on the surface and by habit hostile to it. A socialist lecturer in those days," he continued, "almost invariably

* Glasier, J. B., *The Meaning of Socialism* (1919), p. 13.

found himself in opposition, not only to the members of the middle classes who might be present, but also to the working men amongst his audience, who, not being able even to conceive of the ideas which he was putting forward, at the best took refuge in the radicalism to which they were accustomed."*

Mr. Sidney Webb, father of faithful Fabians, in that *History of Trade Unionism* whose main purpose is to tell the story of the capture of the unions by socialism, admits that as late as 1885 " all observers were agreed that the trade unions of Great Britain would furnish an impenetrable barrier against socialist projects."† Nay, even in 1890, Professor William Graham, a careful and sympathetic student of socialism, remarked that " the English working classes are not socialists, nor are they very promising materials out of which to make socialists, if we may judge by the proceedings of recent trade-union congresses."‡

If such was the opinion of Professor Graham in 1890, it is probable that the proceedings of the trade-union congress held at Liverpool in the autumn of that very year gave him an energetic surprise. For at that congress a " new unionism," definitely and aggressively socialistic, deployed its forces under the leadership of Messrs. Keir Hardie, Tom Mann, John Burns, and Ben Tillett, and all but succeeded in capturing the trade-union citadel. During the unhappy eighties, indeed—amid languishing agriculture, declining industry, tariff-hampered

* Morris, W., and Bax, E. B., *Socialism, its Growth and Outcome* (1893), p. 269.

† Webb, *History of Trade Unionism* (1920), p. 374.

‡ Graham, W., *Socialism New and Old* (1890), p. xlv.

commerce, and political unrest—socialism had been reborn in Britain. The word which called socialism into life again had been spoken by Mr. Henry George, the American author of that striking book *Progress and Poverty*, who in 1881-1882 had made a successful and sensational lecturing tour through Great Britain. Mr. George was not a socialist in the full sense of the term: his attack was directed exclusively against land monopoly and rent, and not at all against capital and profits. But, although he did not go the whole socialistic way, so far as he did go he marched in line with socialism; and his whirlwind campaign had a powerful effect in rousing among the radicals two passions whose combination tended strongly towards socialism—viz., the sense of injustice and the love of loot. The indignation and desire which Mr. George generated stirred to eruptive activity a number of extinct Chartists; called into play the fountains of fury that boiled in the breasts of certain literary men, such as William Morris; and encouraged the dejected disciples of Karl Marx to renew their efforts to arouse the apathetic Britons. Hence was constituted the Democratic Federation (1881), which, when it had evicted its non-Marxian elements, became the Social Democratic Federation (1884). That same year, 1884, saw also the founding of the Fabian Society, and the separation from the Social Democratic Federation of a schismatic sect which organised itself into an extremely sulphurous Socialist League. In 1887 Edward Bellamy published his *Looking Backward*, a collectivist romance which, by presenting a rosy picture of an imaginary future against a darkened background of a distorted present, attracted much attention to socialism and made many disciples.

All these things prepared the way for the great socialist advance in the nineties. But what effectively brought socialism within the sphere of organised industry and practical politics in Britain was the inauguration of the Independent Labour Party in 1893. This body was from the first, and avowedly, "an uncompromising socialistic organisation" established—under the direct inspiration and guidance of Marx's *fidus Achates*, Friedrich Engels, and Marx's daughter Eleanor—by precisely that active band of "new unionists" which had so nearly captured the trade-union congress at Liverpool in 1890. It cut itself aloof from Liberalism, with which Labour had hitherto been associated, and set itself vigorously to the tremendous task of winning both industrial unionism and political radicalism for the socialist cause. Its first great success was not long delayed. In 1894, at Norwich, after a furious struggle, it committed the trade-union congress to the socialistic policy of the nationalisation of "the land, and the whole means of production, distribution, and exchange." From that time onward, in spite of slight fluctuations, socialism steadily confirmed its hold over the congress, permeated the executives of the great trade unions, and gradually converted organised British labour into a conscript army constantly mobilised for the conflict against what it called "capitalism."

Meanwhile in the sphere of politics the growth of the power of socialism was hardly less marked. In 1900 the Independent Labour Party, the Social Democratic Federation, and the Fabian Society persuaded a number of trade unions to join them in forming a "Labour Representation Committee" (of which the middle-class socialist Mr. Ramsay

MacDonald was the first secretary) for the purpose of selecting and assisting labour candidates for parliament. In the main, the socialist societies provided the policy, and the trade unions the funds. In the "khaki" election of 1900 the new committee secured only two seats out of fifteen that it contested. In 1906, however (when it changed its name to its present one, "The Labour Party"), it contested fifty seats and gained twenty-nine; and the twenty-nine Socialist-Labour members, completely dominating the twenty-three of the old Liberal-Labour group, definitely bound British labour, on its political side, as on its industrial side, to socialism. In 1908, at the Labour Party's annual conference held at Hull, a formal motion was carried "that in the opinion of this conference the time has arrived when the Labour Party should have as a definite object the socialisation of the means of production, distribution, and exchange, to be controlled by a democratic state in the interests of the entire community; and the complete emancipation of labour from the domination of capitalism and landlordism." In spite of, or (some might say) because of, this frank adoption of socialism, the Labour Party continued to gain seats: in January, 1910, it secured 40; in December, 1910, 42; in 1918, 57; in 1922, 142; and finally in 1923, 191. The crowning triumph of 1923 placed the Labour Party in front of the Liberal Party, and made it the official opposition. Hence, when in January, 1924, the Conservative Government was defeated in the House of Commons by a combined Liberal and Labour vote, it was natural and inevitable that socialism should find itself in office under the leadership of its devoted advocate and exponent, Mr. Ramsay MacDonald.

The possession of office, even though it was unaccompanied by the power of a majority in the House of Commons,* immensely excited and elated the socialists. Even more were they encouraged by the fact that in the constituencies their votes had leaped from $2\frac{1}{4}$ millions in 1918 to $4\frac{1}{3}$ millions in 1923. Office together with effective power to carry through their proposals loomed—and still looms—before them as a vision of the near future. In September, 1924, Mr. Wheatley, Minister of Health, leader of the left wing of the socialist stalwarts, prophesied that "within ten years, probably within five, capitalist society in Britain would fall about their ears,"† and that the regime of socialism would be necessarily inaugurated. Another exalted revolutionary, writing about the same time, impressed upon the electorate the fact that socialism was the one and only great issue before them: "Socialism," he said, "is what the Labour Party stands for," and "your choice is now between socialism and anti-socialism."‡

Finally, the Independent Labour Party, at its spring conference and its summer school in 1926, sounded as its slogan the cry, "Socialism in our Time," and framed an exhaustive programme for the complete destruction of the present "capitalistic" organisation of society, and the erection of a socialistic state—all to be accomplished within the five years 1926-1931 !

* The election of December, 1923, returned 258 Unionists, 191 Labour, and 158 Liberals.

† *The Times*, September 29, 1924.

‡ Gordon, A., *The Common Sense of Socialism* (1924), p. 11.

## § 3. How the Great War assisted Socialism

The amazing advance of socialism in Britain, briefly sketched in the preceding section, would have appeared quite impossible to any normal student of current affairs up to the outbreak of the Great War. In 1906, for example, Mr. Lloyd-George said: "Does anyone believe that within a generation, to put it at its very lowest, we are likely to see in power a party pledged forcibly to nationalise land, railways, mines, quarries, factories, workshops, warehouses, shops, and all and every agency for the production and distribution of wealth? I say again, within a generation? He who entertains such hopes must indeed be a sanguine and simple-minded socialist."* Mr. Lloyd-George spoke at a time when the Liberal Party had 397 representatives in the House of Commons, as against the 29 of the new Socialist-Labour Party; and just after the 1906 election, in which the aggregate "Labour" vote in fifty contested constituencies had amounted to no more than 323,196. Four years later, in the last general election held before the war (December, 1910), in fifty-six contests "Labour," which secured 42 seats, polled a total of only 370,802 votes. There was no indication here of any speedy accession to power, or even of the attainment of any considerable political influence.

What a different story, however, the next general election—viz., that of 1918—told! In that election the Labour Party, now deeply committed to socialism, contested 361 seats, secured 57, and polled in

* Lloyd-George, D., *Better Times*, p. 35, quoted by Walling, W. E., *Socialism as it is* (1912), p. 44.

all 2,244,000 votes.* Subsequent elections more than maintained this striking advance.† As a leader-writer in *The Times* remarked: "The cataclysm of war and its after-effects so stimulated the previously slow growth of the socialist movement as to lift it suddenly from the position of a mere aspirant hoping to arrive in some indefinite future, into the field of actual statesmanship, and to bring its representatives face to face with the practical problem of realising their theories."‡ How is it that the war had so marked an effect in stimulating the growth of socialism ?

In reply to that question the following answers may be suggested. *First*, the war discredited the older political parties which had failed to prevent it, had failed to realise its magnitude in time, had waged it with manifold inefficiency and at an extravagant cost both of men and of money, had allowed it to drag on unduly, and had concluded it with a most unsatisfactory peace. *Secondly*, the war caused intense resentment among the working-classes by reason of its burden of conscription, its interference with industry, its ruthless disregard of trade-union regulations, its disturbance of domestic conditions, its general disorganisation of normal

* It must be remembered, of course, that the Representation of the People Act of 1918 had more than doubled the electorate since 1910.

† The figures of the subsequent elections are as follows:

| *Year.* | *Seats contested.* | *Seats secured.* | *Votes polled.* |
|---|---|---|---|
| 1922 .. .. | 414 | 142 | 4,236,000 |
| 1923 .. .. | 427 | 191 | 4,348,000 |
| 1924 .. .. | 514 | 150 | 5,551,000 |

‡ *The Times*, April 10, 1926.

national life. *Thirdly*, the war led, from 1917 onward, to an enormous rise in prices, which, though due to entirely natural and non-political causes, was generally attributed to "profiteering" and other corrupt practices; and it was widely held that the government had not been nearly quick enough or strong enough in dealing with this economic evil. *Fourthly*, the fact that government from 1915 to the end of the war was a coalition government made it impossible for the disgruntled to appeal from Liberal to Conservative, Conservative to Liberal, as in the past: both the older parties were equally involved in whatever discredit was attached to the conduct of the war; the only hope of a thorough change of administration lay with the socialists, who from the beginning had been dominantly pacificists, conscientious objectors, and defeatists. *Fifthly*, the Continent provided some astounding and inspiring examples of swift and successful social revolution. First and foremost came the overthrow of the Russian Tsardom, the most implacable of all the foes of socialism, in February, 1917; followed in November of the same year by the establishment of the Marxian dictatorship of Lenin and Trotsky. It is difficult to over-estimate the stimulating effect of these Russian revolutions upon British socialists. The Independent Labour Party and other socialist organisations held a great conference in Leeds (June, 1917)—at which Mr. Ramsay MacDonald played a prominent part—and drew up a complete scheme for the conversion of Britain into a soviet republic. Later on, Mr. John Maclean of Glasgow was appointed—apparently by the authorities in Moscow—the first president of this republic. In 1918, when the Great War was drawing near to its

close and the victory of the Allies had become assured, the empires of the Hapsburgs and the Hohenzollerns went the way of that of the Romanovs; and Austria, Hungary, and Germany were all converted into socialist republics. Thus within two ecstatic years were swept away all the most formidable barriers—*i.e.*, the three great military empires—that had hitherto blocked the path of socialist advance. Hence during 1919–20 social revolution ran riot throughout Europe. In Germany, Spartacism under Karl Liebknecht and Rosa Luxemburg was rampant (January, 1919); in France emissaries from Moscow organised a violently revolutionary communist party affiliated to the Third (or Bolshevik) International; in Italy the anarchic syndicalists began to seize the factories and to turn the country upside down, until—the government being entirely impotent—they were checked by Mussolini and his fascists; in Hungary a red terror was instituted and maintained by Bela Kun, an agent of Lenin and Trotsky, from March to August, 1919. In short, the aspect of Europe suggested that the communistic Armageddon so ardently desired and confidently predicted by Marx was at hand. No wonder that when in 1920 the Third International met in congress at Moscow its mood was enthusiastic, its tone confident, and its hopes high. All this had its repercussion in Britain. There were British delegates present at the Moscow congress, and they came back accompanied by Russian comrades, and liberally supplied with Russian gold, in order to institute "councils of action," and by means of revolutionary strikes—in particular the coal strike of October and November, 1920—to realise the Bolshevik ideal and establish the soviet republic. In December, 1920,

the British government made it known that £23,000 a week was coming in from Russia for the spread of communism; and in 1921 it was estimated that the Bolsheviks had 1,220 paid agents at work in this country.*

All these causes, operating together, powerfully advanced the kindred cults of socialism and communism in Britain. Their consideration helps us to understand how it was that amid the distress, disillusionment, disorganisation, and disappointment of the period that followed the war socialism and communism made converts and achieved conquests on a scale beyond all precedent in this country.

Mrs. Webster, in her valuable handbook entitled *The Socialist Network*, gives an amazing revelation of the magnitude and extent of the ramifications of *post-bellum* socialism. The socialist propagandists, she shows, "know how to utilise everything that comes to their hand, so that they have now been able to penetrate every sphere of human endeavour—art, literature, education, women's movements, religious movements—and to get control of all the means of publicity—the press, the theatre, the cinema, and also broadcasting, which, even under a Conservative Government, serves as a mouthpiece for socialist propaganda."†

* Sir W. Joynson-Hicks, on July 24, 1924, wrote in the *Morning Post:* "The socialists are spending not less than £200,000 per annum on their propaganda, and they are holding something like 1,000 meetings a week in all parts of Great Britain. In addition, they publish between fifty and sixty weekly, monthly, and quarterly journals, not to mention the enormous output of books and pamphlets."

† Webster, N. H., *The Socialist Network* (1926), p. 134.

## § 4. The Communist Conquest of Russia

The partial triumph of socialism in Britain in 1924 was closely parallel to similar triumphs won by constitutional means in other countries of the world. There were in fact in 1924—the high-water mark up to the present of parliamentary socialism—no less than eight socialist governments in existence: three in Europe, *viz.* Sweden (1920), Denmark (1924), and Great Britain; the remaining five in the British Dominions overseas.

But these partial and rather ineffective triumphs of constitutional socialism paled into insignificance when compared with the complete and resounding triumph of revolutionary communism in Russia. There is little need to tell even in barest outline the familiar story of how Lenin and Trotsky with their Bolshevik associates secured ascendancy over Russia, and established a dictatorship of the purest Marxian type. A few of the outstanding facts, however, may with advantage be noted, as they serve to emphasise the importance of socialism by showing how complete a breach with the past its establishment, at any rate in its Marxian form, involves.

The first Russian revolution (March, 1917) overthrew the Tsarist regime and set up a republican form of government in which the constitutional authority of the Duma was nominally dominant. The Duma, however, from the beginning, found itself faced by a rival authority in a spontaneously generated and socialistically controlled "soviet" of workers' and soldiers' deputies. This body, having the more effective power, increasingly hampered the executive until, after it had forced three transient and embarrassed administrations to resign, it so

weakened constitutional authority that the Bolsheviks found it easy to seize control (November 7, 1917). They came into power entirely obsessed by the principles of Marxian socialism, and at once proceeded to put their principles into operation. During the first two months of their occupation they issued 193 decrees by means of which communism on a national scale was for the first time established on earth. (1) On the very day after they had seized power they nationalised the land—that is, confiscated without compensation all estates, private, imperial, monastic, and ecclesiastical, and handed them over to cantonal committees and district soviets, under whose control the peasants were to enjoy them. This decree did not operate as had been intended; for the peasants, without waiting for the formation of the committees and soviets, simply seized the lands in a wild scramble and proceeded to treat them as their own private property. After vainly struggling to enforce the principle of communal ownership of land, the Bolshevik leaders were compelled to acquiesce, for the time being, in this grave departure from socialistic orthodoxy. The mind of the peasant, they concluded, was profoundly bourgeois; only gradually could it be educated to appreciate the proletarian creed. (2) They nationalised industry and commerce, again confiscating, without compensation, factories, warehouses, offices, shops, and all the means of transport. (3) They appropriated all capital, seized all available treasure, nationalised the banks and their deposits, repudiated all public and private debts. (4) They took control of the Press, stopping the issue of all books and papers hostile to their regime, and preventing the publication of any news not passed by

their censors. (5) They suppressed freedom of speech and public meeting, visiting with exemplary penalties (frequently with death) all persons uttering "counter-revolutionary" sentiments. (6) They assumed control of all education and forbade the teaching of anything out of accord with the Marxian system, in which category Christianity was prominently included. (7) They endeavoured by bribery and by force to stamp out all forms of religious worship from the country. (8) They completely recast the laws of marriage and divorce, making marriage a mere form, and divorce a matter of simple declaration of will. (9) They made the trade unions a department of state; fixed hours and wages of labour; prohibited strikes; conscripted workers, and sent them to such places and tasks as they themselves determined, punishing insubordination with death. (10) They constituted a "red army" entirely subservient to their will, by means of which to put down all signs of opposition.

Having thus established the socialistic "dictatorship of the proletariat," they proceeded to exterminate their opponents. "A Russian statistical investigation estimates that the dictators killed 28 bishops, 1,219 priests, 6,000 professors and teachers, 9,000 doctors, 12,950 landowners, 54,000 officers, 70,000 policemen, 193,290 workmen, 260,000 soldiers, 355,250 intellectuals and professional men, and 815,100 peasants."* All this was the work of an illuminated minority. It was calculated that the Bolsheviks numbered no more than 200,000 out of a population of some 180,000,000. And of these faithful 200,000, as Lenin admitted with that amazing candour which was the most engaging feature of his

* Sarolea, C., *Impressions of Soviet Russia* (1924), p. 81.

repellent character, only 1 per cent. could be regarded as convinced communists, the residue being made up by 60 per cent. of fools and 39 per cent. of criminals! All, however—communists, fools, criminals—were dominated by one sinister and remorseless will.

The horrors of the Bolshevik regime in Russia baffle description, and its economic failure is complete. Nevertheless it continues to appeal to the imagination of the working classes of all countries, to command their sympathies, and to inspire their hopes. For abominable and disastrous as it has been, and is, it is still their own. It marks the triumph of servant over master; the overthrow of lord by serf; the inversion of normal society; the establishment of the oppressed and the exiled in the seats of the mighty. "Better to reign in hell than serve in heaven"; better suffer destitution, demoralisation, and despotism under the so-called "dictatorship of the proletariat," than enjoy comparative prosperity and freedom under a bourgeois rule! Hence, in spite of the awful warning of Russia, "there is not a country of any considerable size in Europe where the workers are not to-day busy preparing the foundations of the new socialist state."*

If this bold statement be even partly true, it behoves all concerned in practical politics to gain some knowledge of socialism and its history.

* Professor Scott Nearing, *Debate with Professor Seligman* (1921), p. 50.

# PART I
# ANALYTICAL

# CHAPTER I

## WHAT IS SOCIALISM?

"Every socialist has his moments of bewilderment."—H. N. Brailsford.

### § 1. The Terms "Socialism" and "Socialist"

The word "socialism" is a modern one: its invention was left for the nineteenth century. Why it was not coined before is difficult to explain. For it is an obvious word, a useful word, indeed almost a necessary word in its fundamental sense—viz., the cult of community as opposed to the cult of the individual. For a long time the distinction of having invented it was a matter of dispute between French and English philologists. To begin with, the French claimed that the term was originally employed by Louis Reybaud in his *Études sur les Réformateurs ou Socialistes Modernes*, published in 1840. The English replied by producing a book from the pen of an obscure opponent of Robert Owen, a certain J. Matter, entitled *Socialism Exposed, or the Book of the New Moral World Examined*, and dated 1839. Then the French discovered an earlier use of the term by Reybaud: he had given currency to it in an article in the *Revue des Deux Mondes* for August, 1836. The English response to this challenge was to unearth Owen's periodical *The New Moral World* and to display in its pages as far back as the issue for August 24, 1835, numerous instances of the employment of the word. As between Reybaud

and the Owenites the controversy seemed settled in favour of the Britishers. The French, however, were not so easily beaten. They discovered and brought forward a new and formidable claimant—viz., Pierre Leroux, a disciple of Saint-Simon, who in *Le Globe*, a daily newspaper, for February 13, 1832, wrote: "Nous ne voulons pas sacrifier la personnalité au socialisme." They also found that Leroux himself expressly claimed to have invented the term, which he employed (1) as an antithesis to the term *individualism*,* and (2) as a name for the false system propounded by pretended disciples of Saint-Simon and Rousseau. To this formal claim of Leroux the Owenites were unable to provide any counter-claim. Mr. Max Beer, however, when searching the vaults of the British Museum in order to collect materials for his *History of British Socialism*, was fortunate enough to come across the word "socialist" in the *Co-operative Magazine* for November, 1827, and he arrived at the conclusion that at that date it was a term in common use in the discussions of the London Co-operative Society, an institution founded in 1824, whose organ the magazine was. Once again, then, the British priority was restored; and there, so far as I am aware, the matter rests at present.

Now concerning this interesting and amiable linguistic debate two remarks must be made. First, the term which gained currency in France was the abstract term "socialism," while that which the Co-operators and the Owenites disseminated in England was the concrete term "socialist."

* It may be remarked that *individualism* also was a word invented about the same time. The first example given in the *New English Dictionary* is dated 1835, and it runs: "Individualism is a novel expression to which a novel idea has given birth."

Secondly, not only did the terms thus differ in form, they also differed markedly in connotation: the French used "socialism" as the antithesis to "individualism"; while the English used "socialist" as the antithesis to "capitalist"; that is to say, in France "socialism" was a sociological expression signifying the exaltation of the community as a whole above each and every one of its separate members, while in England "socialist" was an economic expression signifying the collective ownership of land and capital as opposed to its private ownership. Thus the words "socialism" and "socialist" are in origin distinct and different terms. Of course, before long, each of them crossed the Channel: "socialism" became familiar in England; "socialists" were discovered in France. But the duality of the words, and the wide divergence of their original connotations, prevented perfect fusion, and, indeed, caused considerable *con*fusion of terminology. This confusion was further aggravated when one or other, or both, of the terms began to accumulate secondary meanings, and to become associated with such irrelevant causes as atheism, republicanism, and free love. Herr Bebel, the leader of the German social-democrats, did as much as anyone to deprive socialism of any definable significance, when he said: "It is in reality an entire world-philosophy: in religion it means atheism; in the state a democratic republic; in industry a popular collectivism; in ethics a measureless optimism; in metaphysics a naturalistic materialism; in the home an almost entire loosening of family ties and of the marriage bond."* Any term which

* Bebel, A., quoted in Schäffle's *Impossibility of Social Democracy* (English Translation, 1892), p. 7.

means so much as this, in effect means nothing at all. Mr. William de Morgan might well have had Herr Bebel's miscellaneous catalogue of undesirabilities in his mind when he remarked in his novel *Somehow Good*, "Really nowadays such a lot of things get called *socialism* that the word has lost all that discriminative force one values so much in nouns substantive."

The result of this growing confusion of meanings, and this aggregation of discordant connotations, was that when anyone, whether in France or in England, spoke of "socialism" he had to say what he understood by the expression; and it became increasingly rare to find two persons who understood by it the same thing. Similarly, when anyone, whether in England or in France, called another a "socialist," he had to explain what he meant by the designation; and it became increasingly difficult to discover any person who was not a socialist in some sense or other of the term. "We are all socialists now," said Sir William Harcourt, towards the close of the nineteenth century, in a phrase which has become classic. With equal truth he might have said: "We all use the word socialism without the smallest definite idea of what we mean by it."

## § 2. Vagueness of Meaning

The vagueness, elusiveness, and protean changefulness of the term "socialism" is the first characteristic which strikes any impartial student who attempts an examination of the subject. "Socialism," says Professor J. S. Mackenzie, "is a loose term at the best."* M. Laveleye begins his study of modern socialism by remarking, "I have never met with

* Mackenzie, J. S., *Introduction to Social Philosophy* (1895), p. 284.

either a clear definition, or even a precise description of the word."* M. Guyot similarly complains that "as soon as you attempt a discussion with socialists, they tell you that the socialism which you are criticising is not the true one."† Dr. Schäffle, after a quarter of a century of research devoted to the attempt to discover the quintessence of socialism, was compelled to conclude that "not only those who oppose and scorn the new gospel, but also even many of those who are believers in it, have themselves no true idea, often not the most distant conception, of what it really is that they fear or detest, that they despise or extol."‡ Mr. Ellis Barker describes socialism as "most elusive and bewildering in its doctrines, its aims, and its purposes"; Sir Lynden Macassey speaks of it as "too amorphous to admit of any workable definition"; Mr. W. H. Mallock calls it "a word which is by many people used in senses so vague and so contradictory as often to deprive it of all arguable meaning."§ Professor Ramsay Muir, again, says: "Socialism is a chameleon-like creed. It changes its colour according to its environment. For the street-corner and the club-room it wears the flaming scarlet of class-war; for the intellectuals its red is shot with tawny; for the sentimentalists it becomes a delicate rose-pink; and in clerical circles it assumes a virgin-white, just touched with a faint

* Laveleye, É. de, *Socialism of To-day* (English Translation, 1884), p. xiv.

† Guyot, Y., *Socialist Fallacies* (English Translation, 1910), p. x.

‡ Schäffle, A., *Quintessence of Socialism* (English Translation, tenth edition, 1908), pp. 1-2.

§ Barker, J. E. *British Socialism* (1908), p. 1; Macassey, L., *Labour Policy* (1922), p. 40; Mallock, W. H., *Studies of Contemporary Superstition* (1895), p. 232.

flush of generous aspiration."* No wonder that Dr. Shadwell concludes that "socialism is the most complicated, many-sided, and confused question that ever plagued the minds of men."†

Uncertainty as to the meaning of the term "socialism" is not limited to impartial students or hostile critics of the movement. It is found, as Dr. Schäffle rightly observes, equally widely among its professed adherents. "I cannot," says Mr. Alban Gordon, in a work issued by the Labour Publication Company—"I cannot define socialism for you in some short snappy phrase, and what is more neither can any other socialist. Even if I could, other socialists would probably repudiate my definition as heartily as I should theirs."‡ "Socialism," says Mr. Edmund Kelly, "is too vast a subject to be brought within the four corners of any one definition," but he assures us that, whatever it is, it "solves the conflict between science and religion"!§ This assurance makes us ready to agree with Mr. Vladimir Simkhovitch that "the word socialist may mean anything,"‖ and it enables us to realise what Lord Thompson, a member of Mr. Ramsay MacDonald's ministry in 1924, suggested when he said, "I have many friends who call themselves socialists, and no two of them give me the same explanation of what socialism is."¶ Mr. Tugan-Baranowsky, one of the ablest and most authoritative exponents of revised Marxism, admits that "socialism as a doctrine is as yet very far from the ideal of an accomplished scientific system,"

* Muir, R., *The Socialist Case Examined* (1925), p. 3.
† Shadwell, A., *The Socialist Movement* (1925), p. ix.
‡ Gordon, A., *The Common Sense of Socialism* (1924), p. 15.
§ Kelly, E., *Twentieth Century Socialism* (1910), p. 202.
‖ Simkhovitch, V. G., *Marxism versus Socialism* (1913), p. v.
¶ *Workers' Weekly*, January 30, 1925.

adding that "the very conception of socialism is unsettled and vague."* Professor R. T. Ely, the American economist, in his well-known work on Socialism, remarks that "it is much to be desired that a more careful use of the word 'socialistic' should take the place of the present loose one."† In fact, so diverse are socialistic definitions of socialism, and so violent are the dissensions of socialists respecting the contents of their creed, that Mr. Punch was not going beyond the limit of legitimate humour when he observed: "A scientist suggests dissipating icebergs with heat bombs. Personally we think it would be cheaper to land two socialists on the things and let them discuss what socialism really means."‡

## § 3. Definitions of Socialism

Mr. Ramsay MacDonald complains that "one of the greatest of the difficulties which beset the path of the socialist is the refusal on the part of his opponent to give an accurate statement of what socialism means, and what the purpose of socialism is."§ It would be more just to say that one of the greatest of the difficulties which beset the path of the non-socialist is the apparent inability of his opponents to arrive at any sort of an agreement as to "what socialism means, and what the purpose of socialism is." In 1892 the Parisian *Le Figaro* opened its pages to an exhaustive consideration of the question, and published no less than 600 separate definitions of socialism, bewildering in their variety. In England

* Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), p. 1.

† Ely, R. T., *Socialism* (1894), p. 28.

‡ *Punch*, February 18, 1925.

§ MacDonald, J. R., *The Socialist Movement* (1911), p. ix.

the establishment of a socialist government in office at the beginning of 1924 called forth a book, edited by Mr. Dan Griffiths, and entitled *What is Socialism ?* It is entirely devoted to definitions of socialism, and it lays before its readers 263 in all. They deserve the careful consideration of everyone who wishes to realise the nature of the socialistic mind. Taking the definitions in the order in which they are printed, we gather from them that socialism is a science, a religion, an attitude, a principle, a body of doctrines, a theory, a system, an organisation, a form of society, a faith, a spirit, a philosophy, a movement, a name, an expression of belief, a tendency, an aspiration, a way of living, an endeavour, a demand, a process, an ideal, a conception, an awakening, an atmosphere, and a programme. This is sufficiently perplexing; but the perplexity is increased when some of the definitions are examined in detail. "Socialism," says Mr. J. W. Bowen, "is light in the darkness of a depressed world." How then, we may ask, can it be distinguished from (say) a magic lantern at a temperance lecture ? "Socialism," cries Mr. Walter Hampson in a mood of similar exaltation, "is sunlight opposed to darkness." Why not moonshine ? we enquire. "Socialism," Mr. R. Neft assures us, "is man's mind developed." Is this different from what is commonly called "swelled head" ? "Socialism," exclaims the Rev. R. W. Sorensen, "is the navigation of social currents by the liberated soul of man." Would not this be an equally good description of an inebriated clubman trying to cross Piccadilly Circus at midnight ? Mr. Wilfred Wellock's definition of socialism as "mankind functioning on the spiritual plane," suggests acrobatic performances in the æther; while Mr. R. J.

Wilson's conception of socialism as "spirit in action" recalls once more the idea of alcohol just mounting to the head, unless it invokes rather a vision of the antics of a ghost.

These eccentricities of comparatively obscure persons need not, perhaps, be taken seriously. One can only marvel at Mr. Dan Griffiths' temerity in printing them. They reveal a haziness of mind, and an irresponsibility in the use of words, extremely damaging to any party which wishes to retain a reputation for sanity. There are, however, interspersed amid this ludicrous verbiage, a number of definitions framed by men so eminent and powerful that what they say commands attention. Mr. Ramsay MacDonald himself may be dealt with first, partly because he was prime minister when this book was published, and partly because he is so loud in his complaint that non-socialists misrepresent socialism. What does he himself say it is ? "No better definition of socialism can be given in general terms," he asserts, "than that it aims at the organisation of the material economic forces of society and their control by the human forces." Has this definition any meaning whatsoever ? It does not say, or attempt to say, what socialism *is*; only what it *aims at*. Further, what is a material force, unless it be a contradiction in terms ? What is a human force as distinct from a material force ? And how does this definition as a whole enable anyone to distinguish socialism from anything else under the sun. As we shall see shortly, not a single one of the differentia of socialism is so much as indicated. If "no better definition" of socialism than this can be given, then indeed is human intelligence in a parlous condition. We might well ask whether any worse

definition is conceivable. Not without justification does that sturdy disciple of Marx and Hyndman, Mr. Joseph Clayton, say of the very book from which this definition is drawn: "It is difficult to find out what Mr. MacDonald is driving at. No political writer of our time is so hampered with a bad style; with sheer inability to convey his meaning. . . . When he has a pen in his hand, he lapses into a horrible obscurity."* With Mr. MacDonald's definition, in point of obscurity, may be placed that of the editor, Mr. Dan Griffiths, himself: "Socialism," he observes, "implies an ever-learning, ever-improving ergatocracy." It would be difficult to find in small compass a better example of the fallacy of explaining *ignotum per ignotius*. The use of the term "ergatocracy," however, prepares us for Mr. Dan Griffiths' opinion that "there is no vital difference between the Communist Party and the Labour Party."

Many of the definitions collected by Mr. Griffiths entirely ignore the fact that socialism is primarily an economic creed. "To me," says Mr. C. G. Ammon, "socialism is the practical expression of Christ's teaching." Was Christ's teaching never practically expressed until, in the nineteenth century, socialism came into existence? Is it expressed in no other way now? Is it expressed at all by socialism where, as in Russia, it prevails to-day? "Socialism," cries Mr. H. C. Charleton, "is that form of society which will permit the establishment of the Kingdom of Heaven on earth." Is the Kingdom of Heaven compatible with only one form of society, and that of extremely recent conception? Is it dependent at all upon forms of society, and if so, is it dependent upon a form of

* Clayton, J., *Rise and Decline of Socialism* (1926), p. 219.

society planned in its completest shape by Marx and constructed by Lenin? According to another of Mr. Griffiths' contributors it *is*: the Rev. R. W. Cummings says of socialism: "Jesus of Nazareth defined its ideal; Karl Marx formulated its economics; Lenin endeavoured to apply its politics"!

Mr. Griffiths' book, however, is not entirely filled with nonsense of this sort. It contains a number of illuminating and authoritative confessions which really do throw light upon the subject under discussion, and enable us to discern the essentials of socialism. All of these emphasise its economic aim. (1) M. Émile Vanderville, the veteran Belgian leader, frankly says: "Socialism means the organisation of the workers for the conquest of political power for the purpose of transforming capitalist property into social property." In other words, it is out for plunder. (2) The Joint Manifesto of British Socialist Bodies, issued as the result of an important conference in 1893, runs similarly: "Our aim, one and all, is to obtain for the whole community complete ownership and control of the means of transport, the means of manufacture, the mines and the land. Thus we look to put an end for ever to the wage system, to sweep away all distinctions of class, and eventually to establish national and international communism."* The following further definitions drawn from other sources emphasise and elucidate the economic conception here set forth. (3) "Socialism," says *Justice*, the organ of the Social Democratic Federation,

* This manifesto gives rise to many questions which we cannot turn aside to discuss now—*e.g.*, what is the "community" referred to? Does "means of transport" include my bicycle? Does "means of manufacture" include my wife's sewing-machine? Does "land" include all peasant properties? When the "wage system" is swept away, what will take its place?

"means the nationalisation of the whole of the means of production, distribution, and exchange."* (4) Mr. Bruce Glasier, one of the most idealistic and enthusiastic exponents of socialism, states that "the public ownership of land and capital forms the economic basis of socialism."† (5) Mr. Robert Blatchford, whose novel (*Merrie England*) and whose periodical (*The Clarion*) were amongst the most potent disseminators of socialism in the closing years of the Victorian era, observes that "the programme of socialism consists essentially of one demand—viz., that the land and other instruments of production shall be the common property of the people and shall be used and governed by the people for the people."‡ (6) Mr. Bertrand Russell, a master of clarity in both thought and style, comes to the same conclusion in the words, "I think we come nearest to the essence of socialism by defining it as the advocacy of communal ownership of land and capital."§ (7) The Fabian Tracts define socialism in similar acquisitive terms—viz., as "the absorption of rent and interest by the community collectively," and as "the extinction of incomes derived from privately owned rent and interest."‖ (8) Mr. Morris Hillquit (*alias* Misca Hilkowicz), the Americanised socialist, recognises this identical economic heart of socialism, though he emphasises another aspect of it, when he defines it as "the theory which discerns the root of all evils in competitive industry and wage labour, and advocates the reconstruction

* *Justice*, February 18, 1893.
† Glasier, J. B., *The Meaning of Socialism* (1919), p. 164.
‡ Blatchford, R., *Merrie England* (1894), p. 100.
§ Russell, B., *Roads to Freedom* (1918), p. 23.
‖ *Fabian Tracts*, No. 15 and No. 41.

of our entire economic system on the basis of a co-operative mode of production."*

The whole matter is admirably summed up by Dr. A. Schäffle in his masterly *Quintessence of Socialism*. "The question," he says, "is undoubtedly one of economics; it is primarily, at any rate, a question of the stomach"; and he continues: "The economic quintessence of the socialistic programme, the real aim of the international movement, is as follows: To replace the system of private capital (*i.e.*, the speculative method of production, regulated on behalf of society only by free competition of private enterprises) by a system of collective capital—that is, by a method of production which would introduce a unified social or collective organisation of national labour, on the basis of collective or common ownership of the means of production by all the members of society." And a little later on he returns to the point with the emphatic words: "Let us repeat once again that the alpha and omega of socialism is the transformation of private and competing capitals into a united collective capital."†

* Hillquit, M., *History of Socialism in U.S.A.* (1903), p. 16.

† Schäffle, A., *Quintessence of Socialism* (English Translation, tenth edition, 1908), pp. 3, 4, 20.

## CHAPTER II

### THE SIX ESSENTIALS OF SOCIALISM

"Das Wesen des Sozialismus ist das—alle Produktionsmittel stehen in der ausschliesslichen Verfügungsgewalt des organisierten Gemeinwesens. Das allein und nichts anderes ist Sozialismus. Alle anderen Begriffsbestimmungen sind falsch."
—Ludwig Mises.

A careful consideration of the authoritative and concordant definitions given at the close of the preceding chapter enables us to formulate as the essence of socialism the advocacy of the following six principles:

I. Exaltation of the Community above the Individual.
II. Equalisation of Human Conditions.
III. Elimination of the Capitalist.
IV. Expropriation of the Landlord.
V. Extinction of Private Enterprise.
VI. Eradication of Competition.

Some of these are old principles; some of them are respectable principles. It is their combination into a homogeneous body of doctrine that constitutes the novelty and the obnoxiousness of socialism.

They can be classified into three groups of two each. The first two in their pure form have about them much that is commendable and attractive. They have, however, in practice, as we shall see in a moment, assumed forms so impure and corrupt that they have degenerated into mere snares for

the good. It is to their seduction that the existence of so-called "Christian Socialists" is primarily due. The last two are economic follies which attract the mad. The middle two are ethical iniquities which allure the criminal. The combination of religious sentimentality, industrial insanity, and moral obliquity is a powerful, if strange, one. Let us consider each of these six elements in turn.

### §1. Exaltation of the Community above the Individual

There can be no doubt that socialism's exaltation of the community above the individual; its apparent advocacy of altruism as against egoism; its insistence upon the solidarity of the human race; its emphasis upon the interdependence of men; its proclamation of the truth that among mortals all action has social results, and that all results have social causes; its reiteration of the fact that we are all members one of another; its presentation in an impressive form of the organic conception of the state; its appeal to the conscious brotherhood of man—there can be no doubt, I say, that these aspects of socialism, and particularly of the purer and older forms of socialism, have powerfully appealed to fine and idealistic minds, and have won to the socialist cause many noble men and women who have failed to perceive the baser materialistic and immoral elements which accompany them. When it is said that Plato was a socialist, little more is meant, or can be meant, than that he proclaimed the sovereignty of the state and the complete subordination of the citizen to society; for his "communism" was non-economic, a mere discipline of abnegation and asceticism. Similarly, when it is argued that Christ was a socialist, all that

can be intended is that he denounced selfishness, and by his life and teaching inculcated the limitless sacrifice of the one for the many, together with the unmeasured service of humanity by every man. It is only by concentrating attention on this one aspect of the better types of socialism, and by ignoring all that socialism says respecting capitalists and landlords, that it is possible for such enthusiasts as Miss Priscilla E. Moulder to ejaculate: "To me, socialism means nothing more nor less than practical Christianity; simply the carrying out of the golden rule in everyday life."* This altruistic socialism—which stresses duty rather than right, service to society rather than claims upon society, mutual aid rather than class war—was the kind which Saint-Simon advocated, and to which his disciples first applied the name. It was the kind which Auguste Comte exalted into the Religion of Humanity. It was the kind which inspired the finer spirits among the early Fabians, and especially Mr. Graham Wallas. In respect of this kind alone is it allowable to say with Mr. Edmond Kelly: "The solidarity of the human race is at the root of socialism."†

Even this admirable principle of solidarity—with its implications of brotherhood, kindliness, mutual aid, and reciprocal service—is not without its perils. If carried to excess it involves a suppression of personal liberty which is not only fatal to the individual, but also, in the long run, bad for society. "Socialism," says Mr. Fred Bramley, "implies the subordination of the interests of the individual to the interests of society."‡ To this remark it may be replied, first,

* Griffiths, D., *What is Socialism?* (1924), p. 55.

† Kelly, E., *Twentieth Century Socialism* (1910), p. 237.

‡ Griffiths, *op. cit.*, p. 19.

that the interests of individual and society are not thus wholly separable and antithetic; and, secondly, that, in so far as they are separable and antithetic, the subordination of one to the other may easily be carried to such an extreme that both suffer. According to Professor Eucken, the first essential characteristic of socialism is "the unqualified submission of individuals to the social collectivity."* Here we have, most distinctly indicated, the tendency of even the best types of socialism to the undue repression of individual initiative, private enterprise, and personal freedom. To what lengths this principle of repression may be carried is seen in such a book as Gronlund's *Co-operative Commonwealth*, where it is asserted that "as against the state—*i.e.*, organised society, not even labour gives us a particle of title to what our hands and brain produce."† Socialism, in short, in even its milder and more moderate varieties—of which English Fabianism is the best known—is too much dominated by that *étatisme*, or cult of the state, which Plato initiated, which Rousseau revived, which Fichte and Hegel developed into a philosophical system, and which Treitschke and Bernardi applied to the practical conduct of world politics.

But there is more to be said. The "community" which socialism exalts over the individual is often not humanity as a whole, and not always even that more limited organism, the state. Too frequently it is merely one particular social class, and then socialism manifests not only the defect of excessive subordination of the interests of the individual to the group

* Eucken, R., *Socialism, an Analysis* (English Translation, 1921), p. 22.

† Gronlund, R., *Co-operative Commonwealth* (1886), p. 85.

to which he belongs; but also a second and much graver defect—viz., the setting up of that particular group in antagonism to all other groups. In other words, socialism becomes a class movement, and it moves not towards solidarity and brotherhood, but towards social schism and class war. No one who has studied recent socialistic literature, or has followed the history of modern socialistic activity, will need to be told that it is this schismatic, militant, anti-social, class-conscious, and ferocious type of socialism which is in the ascendant to-day. As we shall see later on, since the advent of Karl Marx and the issue of the *Communist Manifesto* in 1848, the old philanthropic, humanitarian, all-embracing, "utopian" socialism of Saint-Simon, Fourier, and Cabet, which aimed at a genuine and universal collectivist brotherhood, has been wholly overshadowed by the proletarian socialism of the German "Young Hegelians," who contemplate a community comprising but a single class, and a community which attains ascendancy by means of a sanguinary revolution in which all other classes are exterminated. "The modern socialist movement," says Mr. Morris Hillquit, "has nothing in common with the utopias of Plato, Campanella, and More, or with the prehistoric tribal institutions, early Christian practices, or the various sectarian communities of the middle ages."* That is true. Modern socialism has divested itself of almost the only characteristic which gave it respectability, and made it tolerable to a philanthropic mind. "The old socialism," rightly laments Professor William Graham, "was more universal than the new: it addressed itself to all the world. . . .

* Hillquit, M., *Socialism in Theory and Practice* (1909), p. 320.

The new socialism is thought of mainly as a labourers' question."* The responsibility for this deplorable narrowing of the connotation of "community" in socialist terminology is rightly placed by Herr Werner Sombart, one of the leading exponents of modern socialism, upon Karl Marx. "Marx," he confesses, "limited socialism to the movement of one particular class—the proletariat."† Nay; the present-day exponents and exemplars of Marx do not merely admit that he did this lamentable thing. They boast of it. It was this conversion of socialism from a dream of universal brotherhood to a nightmare of class war which alone brought it within the scope of practical politics. It was only its transformation from a scheme of mutual aid to a scheme of proletarian plunder that attracted to it that mob-power which made it feasible and formidable. The old socialist ideal of solidarity is ridiculed by Lenin, the Marxian superman, as a "lower middle-class utopia," and those "who have replaced the class war by dreams of harmony between classes" are denounced by him as "sham socialists."‡ This view is entirely in accord with the decision of the German Social Democratic congress at Stuttgart, August 20, 1907, when it was affirmed that "he only can be recognised as a true socialist who adheres to the struggle of classes." To the same effect is the opinion of the French writer M. Hubert Lagardelle, who says: "The whole of socialism is comprised in the class war," which "implies a total rupture between the prole-

* Graham, W., *Socialism New and Old*, (1890), p. xlviii.

† Sombart, W., *Socialism and the Social Movement* (English Translation, 1909); p. 60.

‡ Lenin, N., *The State and Revolution* (English Translation, 1921), p. 27.

tariat and the bourgeoisie."* Well may Mr. Arnold-Forster assert that "the preaching of class war and the encouragement of class hatred form the dominant note in current socialist literature."† Certainly, as we read the blood-curdling menaces of the modern socialist leaders, and as we contemplate their sanguinary deeds when they become possessed of power, we realise that we have moved very far from that position in which it was possible for Professor R. T. Ely to say that socialism means "the subordination of the individual to society," and that it is "equivalent to affectionate regard for others." The narrowing of "society" to "class" involves the substitution of hate for "affectionate regard"; exclusion for inclusion; expropriation for mutual aid; murder for service; war for co-operation and peace. It renders supremely ridiculous all such definitions as that of Mr. R. T. Jones, who says, "Socialism is the practical expression of one of the essentials of Christianity, viz., the Brotherhood of Man"; or that of Mr. Hamilton Fyfe, once editor of the *Daily Herald*, who, forgetting what he has written concerning Mr. Winston Churchill and many others, maintains that "socialism is a system which aims at the good of human society as a whole"; or that of Miss Dorothy Evans, who expresses the opinion that socialism will transform our present unsympathetic political organisation into "the tender father-mother state."‡

* Lagardelle, H., *Syndicalisme et Socialisme* (1908), p. 3.

† Arnold-Forster, H. O., *English Socialism of To-day* (1908), p. xi.

‡ Griffiths, *op. cit.*, pp. 45, 32, 31.

## § 2. Equalisation of Human Conditions

Just as the conception of the exaltation of the community above the individual—which in Plato's *Republic*, and the *New Testament*, and More's *Utopia*, and Rousseau's *Social Contract*, is a noble conception—has been degraded by Marx and his followers into a hateful and horrible principle of class ascendancy, social war, and proletarian dictatorship; so has the idea of the equalisation of human conditions, which is entirely commendable in so far as it connotes a desire to elevate the position of the poor, been corrupted by Marxian ferocity into a mere insensate passion to despoil the prosperous and divide up their goods. Socialism of this predatory type has been well defined by an American writer as "an attempt to legislate unsuccessful men into success by legislating successful men out of it."* But this definition does not go far enough; for it is not by legislation but by violent appropriation that Marxians hope to effect their equalisation of human conditions. "The socialist," says Mr. Harold Cox, "is not out to raise human nature; he is out to destroy capitalism, and for that end he encourages or condones conduct which the world has hitherto condemned as criminal."†

Now it is universally admitted that the extreme inequalities of the present time—whether they are due to differences in personal ability, or whether they are caused by differences in social circumstances—are deplorable. It may be true that the number of those who have too much wealth is not very great,

* Quoted by Shadwell, A., *The Socialist Movement* (1925) p. xiv.

† Cox, H., *Economic Liberty* (1920), p. 27.

and that the fuss which socialists make about them is absurdly out of proportion to their importance. It may, further, be true that if all their property were seized and divided up, it would make but the smallest difference for the shortest period of time to the condition of the remainder of mankind. But, nevertheless, few though the very wealthy be, they display a standard of living, and reveal an ideal of luxury, which throws into striking relief the fact that the immense masses of men have not enough either of money or of leisure to make the good and complete life possible. Moreover, it is unquestionable that wealth is power; and although under neither a socialistic nor an individualistic regime can any man evade all control by his fellows, yet it is undesirable that an excessively and disproportionately large amount of money-power should be concentrated in the hands of the few. On economic and political grounds, as well as on moral and social grounds, it is to be wished, on the one hand, that there should not be great and glaring inequalities of wealth; and, on the other hand, that absolutely, and not merely relatively, the condition of the immense majority of the human race should be raised. The socialists seem to hold a strong ethical position when they proclaim the doctrine of the equalisation of human conditions.

Just as liberty is the keynote of individualism, so is equality the keynote of socialism. So fundamental is the idea of equality to socialism that M. Émile Faguet goes so far as to say: "J'appelle *socialisme* toute tendance ayant pour objet l'égalité réelle entre les hommes."* And again: "La première idée mère du socialisme—la grande

* Faguet, É., *Le Socialisme en 1907*, p. 1.

idée mère du socialism—celle auprès de qui toutes les autres sont secondaires, c'est l'idée d'égalité."* M. P. Janet applies the idea of equality more specifically to the economic sphere when he says: "On appelle *socialisme* toute doctrine qui professe qu'il appartient à l'état de corriger l'inégalité des riches qui existe parmi les hommes, et de rétablir légalement l'équilibre, en prenant sur ceux qui ont trop pour donner à ceux qui n'ont pas assez."† Professor Graham concurs with this view when he says: "The central aim of socialism, and the one thing common to all forms of it at all times, is the aim at the diminution of inequality."‡ M. de Laveleye affirms the same truth in the words: "Every socialistic doctrine aims at introducing greater equality into social conditions. . . . Socialism is an equaliser and a leveller."§ Similarly, M. Tugan-Baranowsky, the leader of the revisionist school of socialists, remarks: "The ideal of equality of men must be recognised as the fundamental ethical tenet of modern socialism."‖

In the opinion of Mr. T. D. Woolsey, an acute American critic of communism and socialism, this equalitarian principle is not only the fundamental conception of socialism, but also that which gives it its main grip upon the proletarian mind. "If we go to the bottom of things," he says, "the strength of socialism—that which takes hold of the great mass of the party—is not argument, but the demand for

* Faguet, É., *op. cit.*, p. 106.

† Janet, P., *Les Origines du Socialisme* (1883) p. 67.

‡ Graham, W., *Socialism New and Old* (1890), p. 4.

§ Laveleye, É. de, *Socialism of To-day* (English Translation, 1884), p. xv.

‖ Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), p. 12.

equality."* Now, this demand for equality is a noble and commendable one if it means no more than an urgent desire to fill up the gap which divides the rich from the poor, the happy from the wretched, the competent from the incompetent, the successful from the unsuccessful, by the elevation of the character, the development of the faculties, the cultivation of the intellect, and the improvement of the conditions of those who are unfortunate and low. It was this, and little more than this, that "socialism" meant to Maurice, Kingsley, Ludlow, and the so-called "Christian socialists" of the mid nineteenth century. It is this, and little more than this, that "socialism" means to-day to many an amiable curate, and many a philanthropic member of Mr. Dan Griffith's team, who define socialism as "applied Christianity," or "the practical interpretation of the principles taught in the sermon on the mount," or "the realisation of the golden rule," or something else of the same admirable and entirely inoffensive kind. Dr. Robert Flint in his masterly examination of socialism—a book as well worth reading to-day as when it was written—says: "Socialism has its deepest and strongest root in the desire for the welfare of the masses who toil hard and gain little."†

It is this benevolent aspect of socialism, together with that apparently altruistic spirit which exalts the community above the individual, that wins for socialism the sincere and ardent support of so many estimable and innocent people. If socialism meant no more than philanthropy, and if the equalisation of human conditions simply connoted the elevation

* Woolsey, T. D., *Communism and Socialism* (1879), p. 276.

† Flint, R., *Socialism* (1895), p. 10.

of the lower classes to the level of the higher, who would not be a socialist? But just as operative socialism means, not humanitarian reform, but proletarian revolution, so in practice the equalisation of human conditions denotes, not so much the elevation of the lower as the humiliation of the higher; not so much the enrichment of the poor as the impoverishment of the rich; not so much the general increase of wealth as the increase of confiscatory taxation; not so much the salvation of the lost as the damnation of all who are not lost. No one can read the literature of socialism, or listen to the speeches which make the strongest popular appeal, without realising that the effective forces behind the demand for the equalisation of human conditions are the predatory passions of primitive barbarism—envy of those who are more prosperous, jealousy of those who are superior in character or ability, hatred of those who are in authority, fathomless malice and limitless uncharitableness. "The poor," says Mr. Robert Blatchford, for example, "the poor owe no duty to the rich, unless it be the duty which an honest man owes to the thief who has robbed him. The rich have no right to any of their possessions; for there is but one right and that is the right of the labourer to the fruits of his labour, and the rich do not labour. No man has any right to be rich, no man ever yet became rich by his own industry."* Inflammatory nonsense of this sort—and this specimen is far milder than many that can be culled from almost any of the issues of the Red Press—amply justifies Mr. Ellis Barker when he says: "The attraction of socialism to the masses lies in its promise of the spoliation of the rich and the

* Blatchford, R., *The Pope's Socialism* (1892), p. 2.

general division of their wealth."* It gives point to Mr. W. B. Faraday's accusation that socialism "is in its essence a raid of the *have nots* upon the *haves*, and its moving spirit is class hate and love of plunder."† Mr. Keir Hardie's frank confession: "I have tried to make my own class the ruling class,"‡—which entirely accords with Marx's proclamation of proletarian ascendancy, and with Lenin's sanguinary extermination of the Russian aristocracy and bourgeoisie—sufficiently indicates the truth that the equalisation of human conditions that operative socialism seeks to realise is an equalisation to be effected not by the elevation of the whole community to the level of the higher culture and civilisation, but by a violent depression of those who have attained well-being to the level of the proletarian herd. "The main Socialist appeal," rightly says Mr. Harold Cox, "is directed to men who are temperamentally envious of the good fortune of others, and who think that their shortest cut to prosperity is to transfer to themselves other people's property."§

* Barker, Ellis, *British Socialism* (1908), p. 471. *Cf.* also Le Bon, G., *Psychology of Socialism* (English Translation, 1899), p. 333. "Socialism wishes to destroy the upper classes simply to take their place and secure possession of their wealth"—a judgment amply confirmed by what happened in Russia in 1917-18.

† Faraday, W. B., *Democracy and Capital* (1921), p. 236. *Cf.* also Woolsey, T. D., *Communism and Socialism* (1879), p. 152.

‡ Quoted Arnold-Forster, H. O., *English Socialism* (1908), p. 101.

§ Cox, H., *Economic Liberty* (1920), p. 18.

### § 3. Elimination of the Capitalist

The two essentials of socialism which we have now considered may be termed respectively the political and the social essentials. Politically, the essence of socialism is solidarity; socially, its essence is equality. These are, as we have seen, the two elements which lend to socialism any respectability which it may display. They are the elements that were alone conspicuous in most of those partial anticipations of socialism which we shall shortly consider—viz., on the one hand, the fascinating dreams of Plato and of the modern utopians, and, on the other hand, such splendid experiments as those of early Christian communism or of mediæval monasticism. In all these visionary schemes, and in all these magnificent efforts after the ideal, these two elements—communal solidarity and social equality—manifested themselves in a noble altruism, a glorious self-sacrifice, a fine asceticism, a large benevolence, a comprehensive brotherly love, a passionate desire to aid the poor and needy, a deep devotion to the service of God and Man. These same attractive qualities, although not without alloy, were those which shone pre-eminent in the early French socialisms of Saint-Simon, Fourier, and Cabet. All these amiable and attractive cults owed their charm to their enthusiastic insistence on human solidarity, and to their eager endeavour to solve, by equal labour and equal distribution of wealth, the problem of poverty. They made their appeal almost exclusively to the altruistic and benevolent sentiments of the finer spirits of their age. As popular movements they were entirely ineffective, and as such they merited the scorn and contempt which Marx heaped

upon them, when (in the *Communist Manifesto*) he called them "castles in the air" and "duodecimo editions of the New Jerusalem."

Marx, in order to make socialism operative and effective, deliberately degraded these political and social elements, and at the same time subordinated them to those economic elements that had been emphasised by the early English socialists. He translated "community" into "class," and "solidarity" into "proletarian ascendancy"; he transmuted co-operation into conflict; he transformed zeal to enrich the poor into a consuming lust to despoil the rich. He converted love into hate; peace into war; the enthusiasm of humanity into a passion of destructive rage. Above all, he rejected with disdain the fine but ineffective motive-power of his Christian and utopian forerunners — viz., *altruism*, with its connotation of service, sacrifice, self-abnegation, and surrender—and he substituted for it the potent but base motive-power of primitive individualism—viz., *acquisitiveness*, with its implications of struggle, conquest, spoliation, dictatorship. Marxian socialism is a reversion to the individualistic ethics of the stone age, and its fantastic economics is a mere effort to rationalise robbery. It was Marx who above all other men corrupted socialism and turned it into the evil thing that it now is. "Why," asks that devoted French socialist, M. Lucien Deslinières, "why is socialism so universally execrated?" And he replies: "Pourquoi? Parce que le Marxisme—doctrine exclusivement destructive—exclut tout idéal généreux et tourne en dérision les sentiments les plus naturels au cœur de l'homme; parce qu'il s'affirme constamment par la menace et la violence; parce que la doctrine de la lutte de classe

engendre la haine; parce qu'enfin elle prête au socialisme l'apparence d'un parti de désordre et de subversion, totalement incapable, non seulement de réaliser mais même de concevoir une société meilleure."*

Marx, however, not merely perverted and corrupted the political and ethical elements in socialism; he also subordinated both the politics and the ethics of socialism to its economics. He gave a materialistic interpretation to history; he indulged in an orgy of mundane prophecy; and he directed the whole activity of the socialistic proletariat to the acquisition by means of spoliation of sensuous sources of pleasure. "You reproach us," he says to the doomed bourgeoisie in the *Communist Manifesto*, "because we would abolish your property. Precisely so; that is our intention."

Since the date of the *Communist Manifesto*, then, *i.e.* 1848, the economic elements in socialism have been the dominant elements; and of these the first and foremost is the elimination of the capitalist. "All forms of socialism," says Mr. Philip Kerr, "are based upon the same root idea—viz., that the capitalist and the private employer are *per se* exploiters and the natural enemies of the working class."† In 1903 Professor Georges Renard asked three questions of twenty socialist leaders drawn from nine different countries, and he published the replies in his *Enquête sur les divergences politiques du socialisme actuel*. Concerning two of the questions, the answers were hopelessly conflicting, but concerning the third the response was a unanimous Yes. The question ran as follows: "Do you acknowledge

* Deslinières, L., *Délivrons-nous du Marxisme* (1923), p. 13.

† Kerr, P., *The Industrial Dilemma* (1926), p. 10.

that the economic aim of socialism is the conversion of capitalist society into a system in which property, collective in respect of the means of production, will be individual only as to articles for personal use ?" All the twenty replied, " We do." M. Paul Leroy-Beaulieu, commenting on this questionnaire, observes, " The object aimed at by socialism is the transformation of private property [in capital] into social or collective property," and, he adds, " the acceptance of this essential principle is, as it were, the touchstone by which a socialist can be recognised."* This opinion is confirmed by the published programmes of all the socialist parties, and by the writings of all the representative spokesmen of socialism. Three quotations, out of a limitless number available, must suffice. First, M. Émile Vandervelde, the Belgian leader, says: " The final end which socialism has in view is the collective appropriation of the means of production, distribution, and exchange."† Secondly, Mr. Fred Henderson, in his popular statement of the case for socialism, issued by the Independent Labour Party, emphatically remarks: " Let there be no mistake about it. Socialism, I repeat, is an attack upon the institution of private property in . . . capital. We socialists advocate the expropriation of the . . . capitalist class "; adding later, " In its final consummation, socialism means the complete expropriation of the proprietary class," whose members, he says—in words that place the proprietary class in the same cate-

* Leroy-Beaulieu, P., *Collectivism* (English Translation, 1908), p. 280. *Cf.* also A. Menger, quoted by Jane T. Stoddart, *The New Socialism* (1909), p. 40.

† Vandervelde, É., *Collectivism and Industrial Evolution* (English Translation, 1907), p. xiii.

gory as the pauper aristocracy of Poplar and West Ham—are "fed, clothed, maintained, and provided with income, without any effort or thought of their own, at the expense of the general resources of the community."* Finally, Mr. H. N. Brailsford, editor of the *New Leader*, asserts of himself and his comrades in the fight to secure socialism in our own day: "We are engaged in the most formidable class struggle which history has ever witnessed," and, he adds, "it cannot end until this usurping class has been dispossessed by the transference of its capital to the community."†

It will be noted, of course, that the hostility of the socialists militant is directed, not against capital, but against private property in capital, *i.e.* against capitalists, and against what is called "capitalism" or "the capitalist system." True, some of the more unbalanced zealots, in their furious onslaught upon the men and the system, are sometimes so silly as to talk of "functionless capital." True, also, that orthodox Marxism, which assigns the creation of all values to labour, would, if it were logical, refuse to allow that capital renders any service to production; but it refrains overtly from that absurdity, although in doing so it involves itself in hopeless inconsistencies and self-contradictions. Even the extreme and violent Gronlund grudgingly admits that "labour could not get along very well without capital."‡ He means, of course, that it could not get on *at all* without it. So, too, Kautsky—whose relation to Marx resembles that of Joshua to Moses—warns the tribes who are about to enter by way

* Henderson, F., *The Case for Socialism* (1924), pp. 20, 21, 28.

† Brailsford, H. N., *Socialism for To-day* (1925), p. 36.

‡ Gronlund, L., *Co-operative Commonwealth* (1886), p. 34.

of social revolution into the promised land: "When we expropriate capital, we must at the same time take over its social functions."* And he specifically mentions two of these functions—viz., first, the provision of materials for industry to work upon; and, secondly, the supply of taxes to the state. Non-Marxians are much more free, however, than Marxians in their recognition of the indispensable part which capital plays in production. Mr. Ramsay MacDonald, for example, in all of his numerous expositions of socialism has passages such as: "There is much wealth which labour cannot create without the aid of capital."† He means, of course, that there is not *any* wealth which labour can create without the aid of capital. He even admits—an amazing socialist heresy!—that, since capital is essential to industry, interest on capital "is a payment for service rendered," which may legitimately be made.‡

But, essential though capital is to industry, it is precisely against the payment of interest on capital that the orthodox socialist particularly and most vehemently revolts. Sometimes—identifying capital with money, and repeating the Aristotelian fallacy of the barrenness of money—he objects to interest on the ground that capital creates no values. "Everyone," cries the fiery Gronlund, "who loans his neighbour £20 and exacts £21 robs him," and, therefore, since the whole mercantile class habitually does this very thing, "the whole mercantile class is a

* Kautsky, K., *Social Revolution* (English Translation, 1902), p. 136.

† MacDonald, R., *The Socialist Movement* (1911), pp. 61-62.

‡ MacDonald, R., *op. cit.*, p. 62. *Cf.* also Brailsford, H. N., *Socialism for To-day* (1925), p. 81.

criminal class"!* This obscurantist and ridiculous conception of capital, however, and this total blindness to its indispensable function in industry, is no longer common among socialists. At the present time they seldom venture to reject such elementary economic truths as that capital includes, besides money, such things as food, clothing, tools, machinery, and raw materials; or to deny such obvious axioms as that capital is an essential factor in production. Hence they object to interest, not on the ground that capital is barren or impotent, but on the ground that it is too fruitful and too potent to be in private hands; not on the ground that it creates no values, but on the ground that it itself is created by labour; not on the ground that it is useless, but on the ground that it is stolen.

Interest, says Mr. Fred Henderson, in a chapter in which the confiscation of capital without compensation is ardently advocated, is "simply loot taken from labour," which alone produces wealth.† Mr. Bruce Glasier, one of the most idealistic of modern socialists, grows lyrical in his denunciation of capitalist profits, of which interest forms the greater part. "The capitalist," he cries, "extracts for himself, by means of profits, wealth which the workers, aided by the genius and co-operation of society, create by their labour"; and, he adds, "the essence of capitalism is the possession simply of the power to exploit the labour of the community," for "without the exploitation of labour there could be no profit, no capital."‡ The Rev. Conrad Noel, an extremely rubicund clergyman, declares that capitalists "live

* Gronlund, L., *Co-operative Commonwealth* (1886), p. 230.

† Henderson, F., *Case for Socialism* (1924), p. 28.

‡ Glasier, J. B., *Meaning of Socialism* (1919), pp. 34, 43, 46.

idly upon the bounty of the poor," and that they "exact a yearly tribute from the masses"—in other words, that they have no moral claim whatsoever to receive interest on their investments.* Even Mr. Sidney Webb—who knows better—when he talks down to the mob of his supporters, speaks of capitalists as "social parasites" who "levy a tribute upon the toil of their fellow-citizens," and who, even if they do it in innocent ignorance, are guilty of "unconscious theft."† Further, it may be said that the whole Marxian theory of value and surplus value is a huge and crazy structure of economic error expressly erected for the purpose of supporting the socialist fabrication that capital in private hands is "loot" filched from labour, and that interest on such capital is "tribute" levied by lazy parasites on diligent workers without any moral justification.

Capital, then, according to socialist dogma, ought not to be in private hands. No one ought to possess any wealth beyond that which he needs to consume for his own well-being. But, as a matter of fact, the bulk of the capital of the world is actually in private hands. What does the socialist propose to do about it? He proposes, of course, to confiscate it. Will he, or will he not, give any compensation to the expropriated capitalists? The answer, one would think obvious and inevitable, is, "Certainly not." If capital is necessarily the proceeds of robbery—and of that very despicable form of robbery, the robbery of the poor—justice would seem to demand not merely confiscation without compensation, but punishment without mercy. Hence the

* Noel, Rev. Conrad, *Socialism in Church History* (1910), p. 17.

† Webb, S. and B., *Decay of Capitalist Civilisation* (1923), pp. 20-30.

true and consistent socialist, without any hesitation or qualification, says, "No compensation." Mr. Fred Henderson, for example, says: "Do not let us deceive ourselves into thinking that we can get round this accusation about confiscation and robbery by talking about some form of compensation to the persons whom we propose to expropriate. If the nation gave them compensation, in the sense of giving them an equivalent for what it is proposed to take from them, we should fail in our purpose. Compensation, if it is to be a real equivalent, would only continue in another form the very thing which it is our purpose to end altogether. Definitely and clearly, our purpose is to deprive these people of their present way of living. . . . Socialism means the complete expropriation of the proprietary class."* Mr. Laurence Gronlund sounds the same true socialistic note: "That matter of compensation will not worry us very much. Socialists claim that it is society to whom our plutocrats owe all their wealth, and that, therefore, society has the right at any moment to take it back."† Mr. Belfort Bax's ethics are of a similar character: "The moment you talk of compensation you surrender the socialist principle of justice; for compensation can only be real if it is adequate; and it can only be adequate if it counterbalances and thereby annuls the confiscation."‡ M. Jules Guesde frankly admits that "expropriation with indemnity is a chimera."§ Many more opinions to the same effect could be given.

* Henderson, F., *Case for Socialism* (1924), pp. 20-21.

† Gronlund, L., *Co-operative Commonwealth* (1886), p. 122.

‡ Bax, E. B., *Ethics of Socialism* (1893), p. 76.

§ Guesde, quoted Guyot, Y., *Pretensions of Socialism* (1918), p. 16.

This attitude of the thoroughgoing socialist is the only one consistent with fundamental socialistic principle. According to this principle, capital in private hands is robbery; its possessors, therefore, have no moral right to it; hence, to take it from them is just, and to compensate them for it would be unjust; it would, further, be absurd, for it would perpetuate their economic ascendancy. When the "expropriators" were expropriated in Russia in 1917-18 there was no suggestion of compensation; the bourgeois miscreants, whose offence was that they were property owners and not proletarians, were lucky if they escaped naked with their lives.

Some socialists, however, less obsessed by consistency and more conscious of the alarming consequences of a logical application of their principle, hesitate and hedge. If the ownership of capital by private persons is wholly wrong and reprehensible, not only is it right and proper to expropriate without compensation the wealthy possessors of factories, mines, railways, ships, warehouses, shops, and so on; it is also right and proper to seize without compensation the tools of the carpenter, the barrow of the costermonger, the stock-in-trade of the village grocer, the sewing-machine of the sempstress, and indeed everything, however minute, by means of which any private person earns a living. Similarly, if it is right to repudiate national debts, to appropriate the reserves of banks, to confiscate the stocks of great commercial and financial corporations, it is also right, on precisely the same principles, to seize all the balances in the Post Office Savings Bank, to write off all the National Savings Certificates, to appropriate all the deposits in the Penny Banks, to confiscate all the dividends of the Co-operative Societies,

and in general to reduce the thrifty working-class to proletarian pauperism. Do socialists propose to do this ? Consistent socialists, as we have seen, do and must. Cautious or confused socialists, and socialists with a relic of a bourgeois conscience, pause and hesitate. Thus Mr. H. N. Brailsford is cautious: " A refusal to compensate can only delay nationalisation," he says. But he has an ingenious scheme by means of which " the owners of property will in effect compensate each other," supplemented by a scale of progressive taxation whereby most of the compensation given to large property owners could be got back again. It is extremely clever and naïve.* A little touch of conscience, perhaps, makes Mr. Ramsay MacDonald say: " Socialism cannot come by confiscation."† He would have been more accurate if he had said that it cannot come in any other way than by confiscation. The Independent Labour Party at its conference in 1925 received a report from its Finance Enquiry Committee in which (with two dissentients) the Committee held " that compensation would be necessary, and that confiscation is not expedient," supporting this conclusion by three considerations—viz., that confiscation (1) would be unjust as between owners of different kinds of capital; (2) would lead to serious economic disturbance; and (3) would greatly strengthen opposition to socialism, and prevent us from carrying out our policy as rapidly as we would otherwise be able to do."‡ Thus is the native hue [red] of socialist resolution sicklied o'er with the pale cast of thought [and converted into pink]. So does conscience make

* Brailsford, H. N., *Socialism for To-day* (1925), pp. 82-83.
† MacDonald, J. R., *The Socialist Movement* (1911), p. 161.
‡ *The Times*, March 31, 1925.

cowards of all but two of the stalwarts. The prospect of expropriating the whole of the community, including themselves, appals them. Regardless of principle they will call the smaller capitalists (especially members of the co-operative societies) to their aid in order to expropriate the larger. The lure of the Independent Labour Party is, frankly and unashamedly, loot.

### § 4. Expropriation of the Landlord

The principles which the socialist applies to the capitalist he applies with even greater confidence and vehemence to the landlord. The capitalist may have contributed a fraction of the labour which has created his wealth; but the landlord has somehow acquired possession of one of the free gifts of nature, and the rent which he extorts is mere toll in return for which no service whatsoever is rendered. Such is the socialist contention. Few writers have stated it with more energy of conviction than Mr. Robert Blatchford. "No man," he asserts, "has a right to call anything his own but that which he himself has made. No man makes land. The land is not created by labour, but it is the gift of God to all. The earth belongs to the people."* Hence, he concludes, "under socialism no citizen would be

* Blatchford, R., *The Pope's Socialism* (1909), p. 6. If one were criticising this statement, one might ask, Why does labour give the *sole* claim to property? Why does labour give *any* claim to property? What gives labour the right of property in the raw materials on which it works? Is land in a state fit for cultivation a mere gift of God, or is it in part a product of labour and capital? Who are the "people" to whom God has given the land: have the English any better claim to England than the French or the Japanese? Who is Mr. Blatchford's God? and so on indefinitely.

allowed to call a single inch of land his own."* Similarly, the Rev. Conrad Noel—with a fine mental confusion between four distinct things, viz., the ownership of land, the occupation of land, the use of land, and participation in the products of land—says: "As land is necessary to all, to deprive men of land is to deprive them of life. To deprive men of land except on the landlord's terms is to deprive them of life except on the landlord's terms."† Both the atheistic editor of *The Clarion*, who regards land as God's gift, and the confused clergyman, who identifies land with life, contend that rent is a tribute extorted from the masses which should straightway be abolished. "Rent is brigandage reduced to a system," tersely remarks another stalwart.‡

Socialist principle, then, demands the complete expropriation, without compensation, of all owners of land, whether large or small; and the total abolition of rent. Marx and Engels did not shrink from the consequences of their convictions. Marx continually repeated: "Society can be reformed only by the destruction of private property." Engels wrote, so late as 1892, that "ownership of small holdings [as well as great] must necessarily be destroyed and annihilated." The Erfurt programme proclaimed that the ownership of all property in land irrespective of its size is doomed to extinction; and at the Breslau Congress of the German Social Democratic Party, Frau Zetkin exclaimed frankly and explicitly: "The interest of the party requires the peasants to join the proletariat, however painful to them the operation may be," adding that "the peasant's destiny is to

* Blatchford, R., *Sorcery Shop* (1907), p. 176.
† Noel, C., *Socialism in Church History* (1910), p. 17.
‡ Davidson, T., *Book of Lords* (1890), p. 25.

descend the steps of the ladder of misery," in order that he may subsequently ascend to the bliss of the proletarian paradise—just as Christian in the *Pilgrim's Progress* had to pass through the Valley of Desolation before he could attain the celestial felicity.

The peasants of Europe, however, for some reason or other, failed to respond sympathetically to the prospect displayed before them. They refused, in a stolid mass, voluntarily to "descend the steps of the ladder of misery," by surrendering to the socialist bureaucracy the sole means of their subsistence, without some more certain assurance than seemed to be forthcoming of the blissfulness of the communistic other-world offered to their faith. Hence that exalted Marxian, Mr. Belfort Bax, denounced them as "part of the *petite bourgeoisie*," and "a potent factor in retarding the process of socialisation,"* while Herr Karl Kautsky condemned them as "one of the last bulwarks of property," and "a bitter enemy of the proletariat."† Nevertheless, they formed the bulk of the population in Russia, Roumania, Bulgaria, Serbia, and other East-European countries, while even in France there were four millions of them (ardently attached to their estates) and in Germany three millions. Hence, as in respect of capital, so in respect of land, caution triumphed over conviction, prudence over principle, expediency over consistency; and socialism announced that it would confiscate only the *large* estates and would spare the small ones. Nay, more, it held out the hope that when the large estates were confiscated

* Bax, E. B., *Essays in Socialism* (1906), p. 41.

† Kautsky, K., *Social Revolution* (English Translation, 1902) p. 52.

they would not be nationalised, but would be partitioned into peasant properties to be held in severalty until such time as the peasants were ripe for communism—that is, until the Greek Kalends.

In 1894 the German Social Democrats at their Frankfort Congress decided to support the peasant proprietors against the forces which tended to crush them. This "policy of actively assisting the peasants," says Mr. Ensor in his survey of modern socialism, is "the nearest approach to a *volte face* which socialists have attempted since Marx."* Mr. Edmond Kelly alluringly expounds the new economic policy in terms that would have made Marx rave with fury, and in apparent ignorance of the fact that he is repudiating a fundamental dogma of the socialist creed. "There is," he says, "nothing in modern socialism to frighten the farmer," for "the co-operative commonwealth will leave him the ownership of his farm, and merely exact a tax in produce": indeed "in every way the farmer will be benefited by the introduction of socialism"; and, once again, "modern socialism does not propose to interfere with the private ownership of the farmer in his farm."† The Bolsheviks in Russia in 1917-18 spared the peasant properties, but seized the estates of the nobles (frequently exterminating the families of their owners), and allowed them to pass as private farms into the hands of their cultivators. Mr. Ramsay MacDonald, commenting on this anomalous fact, remarks: "One and all, they have confiscated large estates. . . . But the question of cultivation has had to be solved, not by a rigid application of theory, but in view of existing conditions and opinions; and

* Ensor, R. C. K., *Modern Socialism* (1904), pp. xxxi-xxxii.

† Kelly, E., *Twentieth Century Socialism* (1910), pp. 278-286.

where these—especially when the peasants demanded proprietorship—threatened to open the door for a new incursion of all the evils that the community had suffered from land monopoly, safeguards had to be devised."* What is the plain meaning of this horrible tangle of obscure verbiage? What is the ugly fact behind this smoke-screen of deceptive phraseology? It is this: first, fidelity to principle is but "a rigid application of theory" which is to be avoided; secondly, socialism is applicable only to large estates, while individualism is appropriate for small ones; thirdly, it is right to expropriate the impotent few, but it is inexpedient to attempt to do the same to the many who could resist; and finally, any excuse or no excuse is sufficient to justify or camouflage a policy of naked plunder. In short, modern socialists, in respect of land as in respect of capital, regardless of principle, call the smaller proprietors (especially the peasants) to their aid in order to expropriate the larger. The lure of the revisionists is, frankly and unashamedly, loot.

### § 5. Extinction of Private Enterprise

The elimination of the capitalist and the expropriation of the landlord necessarily imply the extinction of private enterprise. For if no private person is permitted to own any of the means of production, or to employ profitably any wealth which he may possess, obviously everyone must become either a civil servant or a public pensioner. Now it is precisely this socialisation of all the means of production which appears to many thinkers to be the

* MacDonald, R., *Socialism Critical and Constructive* (1924), p. 158.

most prominent of all the six essentials of socialism. So long ago as 1869, John Stuart Mill, in that interesting fragment on socialism which was published posthumously in the *Fortnightly Review*, said: "What is characteristic of socialism is the joint ownership by all the members of the community of the instruments and means of production"; and again: "The distinctive feature of socialism is . . . that production is only carried on upon the common account, and that the instruments of production are held as common property."* Forty years later Miss Jane Stoddart, in her careful and sympathetic study of the "new socialism," came to the conclusion that, as with the old socialism, "its cardinal principle is that the state should take out of private ownership the means of production, distribution, and exchange."† The Joint Manifesto of the British Socialist Bodies (1893), already quoted, confirms this view. "Our aim, one and all," it begins, "is to obtain for the whole community complete ownership and control of the means of transport, the means of manufacture, the mines, and the land." The word "complete" should be noted: there are to be no exceptions. Private enterprise, production for profit, is to cease entirely. Mr. Robert Blatchford is equally emphatic. "Practical socialism," he encouragingly begins, "is so simple that a child may [? can] understand it"; and then continues: "It is a kind of national scheme of co-operation managed by the state. Its programme consists essentially of one demand—viz., that the land and other instruments of production shall be common property, and shall be

* Mill, J. S., *Chapters on Socialism*, published in *Fortnightly Review*, vol. xxv. (1879), pp. 514-515.

† Stoddart, J. T., *The New Socialism* (1909), p. 56.

used and governed by the people for the people." Finally, he adds: "Make the land and all the instruments of production national property; put all farms, mines, ships, railways, and shops under national control—as you have already put the postal and telegraphic services under national control—and practical socialism is accomplished."* The word "all," employed twice, should be noted: *every* instrument of production, great or small, is to be nationalised; no one is to be allowed to run a shop of any sort, or employ a machine of any kind, on his own account in order to increase his own store of wealth. Further, no one is to be permitted to hire any person to perform any services for him; and no one is to be permitted to render any services in return for remuneration. "We look," says the Joint Manifesto, "to put an end for ever to the wage system; to sweep away all distinctions of class; and eventually to establish national and international communism." In short, private enterprise is to be entirely closed down. For, as Mr. Tom Johnston, M.P. for Dundee, tersely observes, "private enterprise means private robbery."† Rightly does a modern critic of politics remark: "Socialists regard enterprise in the individual as a crime; self-reliance as a form of priggishness; and thrift as a piece of "selfishness."‡

As usual, however, the logical application of their principles alarms all except the more irrational and unimaginative stalwarts among the socialists. They shrink from the painful and embarrassing necessity of denouncing as a robber every jobbing carpenter

* Griffiths, D., *What is Socialism?* (1924), p. 19.
† Quoted by Muir, R., *The Socialist Case Examined* (1925), p. 5.
‡ Begbie, H., *The Conservative Mind* (1924), p. 150.

who owns his own tools, every working gardener who takes his own spade and rake round with him, every sempstress who earns a living by the use of her sewing-machine, every small shopkeeper, stall-holder, costermonger, or hawker. They hesitate to condemn as a criminal every person who shows the slightest capacity for self-help, although according to their pure dogma they are compelled to do so. They pause before they excommunicate as an exploiter everyone who employs a workman and by means of his assistance makes a profit. Hence, abandoning all attempt to follow strict principle, they pursue the line of mere expediency. Just as, in practice, they restrict the elimination of capitalists to the elimination of large capitalists; just as, in practice, they stop the expropriation of landlords before it reaches the small farmers and the peasants; so, in practice, they limit the extinction of private enterprise to the extinction of large-scale private enterprise. It is the railways, the steamships, the mines, the factories, the banks, the insurance offices, they want to get hold of. Says Mr. Morris Hillquit: "The socialist programme calls for the public or collective ownership and operation of the *principal* instruments and agencies for the production and distribution of wealth"; it is "the *basic* industries" that it wishes to nationalise.* Mr. H. N. Brailsford, writing for the Independent Labour Party's *New Leader*, deals at length with this non-ethical distinction between small and great. "Every socialist," he naïvely admits, "has his moments of bewilderment, when he asks himself how he would bring the infinite diversity of modern industry within the framework of his system." He would probably

* Griffiths, D., *What is Socialism?* (1924), p. 41.

have something more formidable and more enduring than a "moment of bewilderment" if he were to attempt to do it. However, he concludes: "There are many small trades in town and country—arts and crafts and small holdings—which we may contentedly leave, in some cases for ever, on an individualistic basis."* Thus, once again, the socialists, abandoning principle, and contemptuously rejecting any pretence of consistency, call the smaller individualists (especially the artisans and the shopkeepers) to their aid in order to extinguish the larger. In respect of private enterprise, the lure of the Independent Labour Party is, frankly and unashamedly, plunder and power.

### § 6. Eradication of Competition

The extinction of private enterprise inevitably entails the eradication of competition, except within the limits of a civil service. Nevertheless it has to be set forth as a distinct mark of socialism because of the prominent place which it occupies in most socialist propaganda. A writer in the *Round Table* goes so far as to say that "the idea at the root of socialism is to get rid of competition."† This, too, is evidently the view of the author of a popular handbook of socialism, who defines socialism as "the replacing of industrial competition by universal co-operation," and expands his definition by quoting Kidd's *Social Evolution* to the effect that: "True socialism has one invariable characteristic by which it may be always recognised. . . . This is the final suspension of the personal struggle for existence

* Brailsford, H. N., *Socialism for To-day* (1925), p. 103.
† *Round Table*, June, 1924, p. 478.

which has been waged not only from the beginning of society, but in one form or other from the beginning of life."* Most of the definitions in Mr. Dan Griffiths' collection which treat socialism as an economic movement emphasise the eradication of competition as one of its outstanding objects. For example, Dr. Haden Guest says: "Socialism is, to my mind, the substitution of co-operation for competition in local, national, and international affairs."† Most, also, of the textbooks of socialism which aim at moving the masses give lurid pictures of the horrors of the competitive conflict, and draw attractive sketches of the future co-operative elysium in which all shall work together in brotherly love for the common good, and there shall be enough for all. For example, the first of the long series of the Fabian tracts opens with the words: "We live in a competitive society with capital in the hands of individuals. What are the results? A few are very rich; some well off; the majority in poverty; and a vast number in misery."‡ It then proceeds ardently to urge the abolition of "competition and capitalism," which it groups together as inseparables, and to advocate a collectivist regime. Similarly, the notorious *Fabian Tract No.* 5, after bewildering its readers with masses of manipulated statistics, devotes an impassioned section to a vehement de-

* Bliss, W. D. P., *Handbook of Socialism* (second edition, 1907), pp. 2, 20.

† Griffiths, D., *What is Socialism?* (1924), p. 37.

‡ *Fabian Tract No.* 1 (1884), p. 1. The logical hiatus between the second and third of these three sentences will be evident to every student of dialectic. "What are the results?" The complete absence of any necessary connection between the statement in the first sentence and the statement in the third that is, between the major premiss and the conclusion.

nunciation of the "competitive system" (supporting it by harrowing details respecting infant mortality, etc.), and concludes its errors and irrelevancies by urging the establishment of the co-operative commonwealth.

Now there is something extremely attractive to the normally lazy and incompetent individual in being freed from the inconvenient rivalry of his more energetic and capable fellows; in being allowed to become a sleeping partner with the efficient; and in being assured of a share in the prizes of life without the trouble of contending for them. But unfortunately, as the ratepayers of Poplar and West Ham have discovered, it is possible for the efficient to have too large a number of sleeping partners. Wherever socialistic experiments have been tried, the absence of competition has led to a slackness, an apathy, an indifference, an indolence, that has fatally lowered the standard of productiveness, reduced output, and plunged the whole community into destitution. For the absence of competition simply means that extra exertion brings no extra reward; that economy and thrift are denied their natural fruition; that the stimulus which counters laziness is removed; that the hopes which check prodigality are frustrated; that the good are equated with the bad; and that all are reduced to a common level of destitution.

So evident has this become that all save the socialist stalwarts, whose theories are beyond the reach of modifications due to the lessons of experience, realise that, however completely the competition of the larger capitalists may be eradicated by their absorption into the state, competition of some sort must be retained among the proletarian rank and file in

order to prevent them from subsiding complacently and permanently into the bosom of the community as paupers and pensioners. One of Mr. Dan Griffiths' definers, Dr. S. V. Pearson, admits that in certain circumstances a spice of individualism is beneficial to socialism, and that "competition is a good thing," since "what a man does for the advantage of himself and dependents benefits also the community"—an indubitable truth; but what a confession for a socialist!* Mr. Edmond Kelly is even more explicit. He has a whole section headed, "Socialism will not suppress Competition," and under it he says that it will be both necessary and desirable for socialists, within limits, to perpetuate the competitive regime. It will be necessary, because "generations of competition have so moulded human nature that it is extremely probable that production would suffer were it suddenly eliminated"; hence "it will be indispensable to maintain competition in the co-operative commonwealth . . . in doses that will furnish the necessary stimulus for human exertion." It will also be desirable, because "competition is a part of the joy of life; healthy children race one another as they are let out from school; they challenge one another to wrestle and leap,"† etc. How true, but what a remarkable discovery for a socialist to make, and what a strange admission for him to put on record! Still more amazing, however, is the confession of the Bolshevist Rykov, chairman in 1925 of the Council of Commissars in Soviet Russia. Faced by the appalling inefficiency of state enterprise, by the steady fall of production,

* Griffiths, D., *What is Socialism?* (1924), p. 61.

† Kelly, E., *Twentieth Century Socialism* (1910), pp. 36-37. *Cf.* also pp. 158 and 262.

by the dull indifference of salaried officials, by the incurable laziness of government servants, he proclaimed: "Competition—between state and private industry—is the soul of business. The basis for the relations between state and private enterprise must be one of healthy economic competition. Private enterprise will play an important part in the economic life of the soviets for years to come. Hindrance of private enterprise by the administration cannot be allowed."* Hence the new economic policy of the Moscow socialists marks a full return to individualism, capitalism, private enterprise, and competition. In other words, the modern socialists, abandoning principle, and contemptuously rejecting any pretence of consistency, having despoiled and destroyed those who, under the conditions of competition, have built up successful businesses, take possession of their property and call in the proletariat to join them in carrying on the plundered businesses on precisely the same lines as before. The cry for the eradication of competition is seen to be, at any rate among the Bolshevists of Russia, a mere excuse for the unprincipled seizure, appropriation, and exploitation of every successful industry.

* *Daily Chronicle*, April 15, 1925.

## CHAPTER III

### WHAT SOCIALISM IS NOT

"The term 'socialist' is made to cover every sort of politics, and to include proposed changes in our industrial system varying from compulsory state life insurance to the establishment of free federated communes."—H. H. Champion.

Let us sum up the results of our investigations. We have seen that there are six essential characteristics in true socialism—viz., one political, one social, and four economic. In its pure and ideal form socialism would, (1) in the political sphere, emphasise the priority of community to the individual, subordinating selfish interests to social needs; (2) in the social sphere, equalise human conditions by elevating the poor and unfortunate to a condition of comfort and affluence; (3) in the economic sphere, entirely eliminate capitalism by appropriating all the means of production, distribution, and exchange; by totally abolishing all individual ownership of land; by wholly extinguishing private enterprise; and by utterly eradicating competition. We have further seen, however, that in its pure and ideal form socialism is —and is recognised by its leading exponents to be— utterly impracticable and impossible. It is difficult to maintain the standard of its political and social ideals: it is entirely hopeless to realise its economic ideals by taking possession of every tool, machine, and implement in existence; by expropriating every peasant farmer; by nationalising every little shop

and workshed; by suppressing all emulation and stimulus. Hence practical and operative socialism —the kind which Marx formulated; which Lenin applied in Russia; which moves the masses to-day throughout the world—is very far removed indeed from the pure and ideal type. It retains all the six essentials: but each one in a corrupt and degenerate form. In the political sphere, it substitutes the ascendancy of a class for the solidarity of the community, and proposes to secure that ascendancy by a violent and merciless class war; in the social sphere, it aims at attaining equality not so much by the elevation of the low as by the humiliation of the high, not so much by the enrichment of the poor as by the spoliation of the rich; in the economic sphere, shamelessly abandoning principle for profit, it endeavours to placate the small capitalist and the small landowner, to remove their apprehensions, to enlist their aid, and to lead them to the alluring plunder of the larger; it connives at private enterprise on a small scale in order that the better it may appropriate the produce of private enterprise on the great scale; and, finally, having socialised—that is, confiscated—the great industries on the plea of substituting co-operation for competition, it reintroduces competition in order to prevent them from dying out in mere stagnation.

This perversion of ideal and impossible socialism into practical and predatory socialism, by the abandonment of principle for expediency, amply justifies the severe criticism which has been directed against the modern manifestations of the movement. Sir Arthur Clay is entirely right when he says: "The force which gives vitality to socialistic doctrine is the primitive instinct of predatory self-

interest."* So, too, does Dr. Shadwell diagnose the disease correctly when he remarks that "it is an appeal to natural appetites and passions," adding that "however lofty the motives of its promoters may be, it is actually an appeal to cupidity, envy, and hatred."†

Our analysis of socialism into its constituent elements enables us to apply a decisive test to various other movements which are often associated with socialism, frequently confused with it, and sometimes identified with it. The test is, do they or do they not display the six essential characteristics? Some of these movements need merely to be mentioned to be rejected. However closely they may be affiliated to socialism, they are not themselves socialistic, nor are they necessarily related at all to socialism. Such movements are those towards atheism, materialism, republicanism, and free-love. It is true that on the Continent they are all of them commonly found in close and intimate association with socialism. It is also true that Herr Bebel, the great leader of the German social-democrats, claimed them all as integral parts of genuine and complete socialism.‡ It is, further, true that many anti-religious, anti-spiritual, anti-monarchic, and anti-marital utterances can be quoted from the writings of almost all the true disciples of Marx. Mr. G. B. de Montgomery goes so far as to say that "a real Marxian is always an atheist."§ Nevertheless,

* Clay, A., *Syndicalism and Labour* (1911), p. 212.

† Shadwell, A., *The Communist Movement*, (1925), p. 23.

‡ See above, p. 23, and *cf.* Leroy-Beaulieu, P., *Le Collectivisme* (fifth edition, 1909), p. xviii.

§ Montgomery, G. B. de, *British and Continental Labour Policy* (1922), p. 86.

atheism, materialism, republicanism, and free-love are not—nor is any one of them—of the essence of socialism. They are not necessary implications of either its political and social elements or its economic elements.

Not so readily, however, can we dismiss the claims of two other movements to be true and genuine socialism. In both cases the claims are loudly made and strongly pressed, and in both cases the claimants can display some of the conspicuous characteristics of socialism. The two claimants are collectivism and communism. They demand careful examination. I think that investigation will show that collectivism is much less than socialism, while communism is rather more than socialism.

### § 1. Collectivism

Collectivism—that is, the mere extension of state or municipal activity—is frequently identified with socialism. "Socialism," said a labour candidate for parliament in 1924, "is simply a name for co-operation on a large scale; the sort of co-operation which won the war."* It is a novel idea, particularly to those who remember the pacificist and pro-German activities of the Independent Labour Party and the Socialist Party of Great Britain, that socialism won the war. The speaker, however, was able to quote Mr. Bernard Shaw in support of his thesis. "In 1915," wrote Mr. Shaw, "socialism saved the country when private enterprise had brought us within two inches of defeat," and he went on to show that by socialism he meant no more than the state control of mines, railways, shipping, munition works, food supplies, and so on. Lest there should be any

* *The Times*, July 4, 1924.

mistake as to his meaning, he added, illuminatingly though quite irrelevantly: "Imagine Westminster without socialism—no streets, no bridges, no public lighting, no police, no schools, no water supply, no courts, no post and telegraphs and telephones, no army, no navy, no returning officer, no election, no Big Ben, and no parliament."* Everything, apparently, which is made or maintained by the central or the local government is "socialism." Streets are socialistic institutions; hence, presumably the ancient Persians were socialists, without knowing it, when they linked up the scattered members of their vast dominions by military roads! Bridges are socialistic institutions; hence, too, the Romans must have been unconscious socialists, and their *pontifex maximus* a socialist official! The post office is a socialistic institution; hence we in England have had socialism in our midst, unwittingly, at any rate since Charles II's time—even if we do not admit that Julius Cæsar introduced it into our island in 55 B.C.! Nonsense of this kind would hardly need to be regarded as more than a specimen of Mr. Bernard Shaw's irresponsible levity, if it were not gravely repeated by stolid politicians and believed by bewildered electors.

Unfortunately, Mr. Shaw does not stand alone among the Fabians in his efforts to confuse the public mind and persuade it to believe that socialism means no more than collectivism; no more than a mere extension of communal activity; no more than the making of a new road or the erection of a public clock. Mr. Sidney Webb tells us that "socialism is nothing but the extension of democratic self-government from the political to the industrial world," and he gives an enormous catalogue of the

* The *Observer*, March 16, 1924.

most innocent collectivist undertakings as illustrative of the progress of socialism. "Besides our international relations," he says, "the community now carries on for itself, in some part or other of these islands, the post office, telegraphs, carriage of small commodities, coinage, surveys, the regulation of the currency and note issue, the provision of weights and measures," etc., etc., etc. . . . Seventy-three items in all, the number of which might be indefinitely increased.* And we are asked to believe that this mild, innocuous *étatisme*, this admirable and often beneficent communal enterprise, is the much dreaded and deeply maligned socialism. Sometimes we are almost persuaded to think that only one thing more is needed in order to establish the full socialistic system among us, and that is municipal milk. The smaller Fabian fry follow their twin leaders in treating as socialistic anything and everything—*e.g.*, drinking-fountains, swimming-baths, the British Museum, the Established Church—everything, in short, which, on the one hand, *is not* provided and maintained by private enterprise, or, on the other hand, *is* enjoyed in common by the public.

The Fabian fallacy is accepted and repeated by other types of socialists and even by critical writers on socialism. Mr. W. H. Dawson, who, having made a special study of German socialism, ought to know better, writes: "The state post, telegraph, bank, free-school, poor law system, factory laws, sanitary legislation — these are all institutions which must be unconditionally condemned, if communism and socialism are evil in theory."† Similarly, though

* *Fabian Essays* (1889), pp. 47-48.

† Dawson, W. H., *German Socialism and Ferdinand Lassalle* (1888), p. 4.

not quite so flagrantly, Professor W. Graham in the Introduction to his useful *Socialism New and Old* identifies socialism with collectivism. Following such misleading guidance as this, many opponents of socialism think that they are effectively combating their foe when they show that state railways are less efficient than those run by private companies; that municipal tramways do not pay; and that public enterprises generally are failures. Their arguments are frequently entirely irrelevant. For extension of state or municipal activity *per se* has no necessary connection whatsoever with socialism.

It is easy to see, however, why Fabian and other socialists are willing and apparently anxious that collectivism and socialism should be confused and, if possible, identified with one another. On the one hand, if socialism presents itself no longer as expropriation, confiscation, suppression, and class war, but merely as an innocent enlargement of such familiar public activities as the making of roads and bridges, the construction of model laundries and gasworks, the establishment of museums and free libraries, it loses all its terrors and seems to be a thing for which even female electors may safely vote. On the other hand, if collectivism is really socialism, it is possible for socialists to draw the attention of observers away from the long and dreary record of genuine socialistic and communistic failure which confronts the student of history, and to point out how here a post office, there a state railway, and somewhere else a municipal public-house actually has maintained itself out of its own resources and even yielded a profit.

But, nevertheless, collectivism is *not* socialism. It displays, it is true, some of the features of socialism :

in particular, it exalts the community above the individual, and enlarges the sphere of the state. But the enlargement of the sphere of the state—the extension of the activities of the central and municipal authorities—does *not*, by itself, even tend to eliminate capitalism, extinguish private enterprise, or eradicate competition, three of the things which genuine socialism invariably does. Take Mr. Shaw's list of what he calls " socialistic " institutions. Do publicly made and controlled streets and bridges tend to hamper capitalism, hinder private enterprise, lessen competition ? They are the very means by which all these things increase indefinitely. Is the government's postal, telegraphic, and telephonic service an obstacle to capitalistic development, a barrier to the growth of private enterprise, a foe to competition ? Only in so far as it is inefficient. In so far as it is efficient it is the most valuable possible aid to individualistic activity, and it was established precisely in order that it might be such. And so on for all the rest of Mr. Shaw's absurd catalogue. In fine, the economic test of socialism is not positive but negative. It is *not* necessarily socialistic for the state to do such things as carry letters, run trains, build power stations and so on; it *is* socialistic for the state to prohibit anyone else from doing them. The extension of public enterprise is *not* in itself socialism; what *is* essentially socialistic is the extinction of private enterprise. Take, for example, the favourite socialistic case of municipal milk. It is possible that, as socialists allege, there is much overlapping and waste in competitive milk supply. It is conceivable that many advantages might flow from municipal control. But that is not the point. The provision of municipal milk is not in itself socialism. The crux lies beyond

and behind. It is here: If the quality of the municipal milk declines; if the municipal milkman neglects his duties; if corruption and incompetence lower the efficiency of the municipal milk service; if from any cause it becomes unsatisfactory—(1) Shall I be allowed to keep a cow and supply myself? and (2) If my neighbour desires to purchase from me any surplus that I may have, will he be permitted to do so? These are the crucial questions; and the answer which socialism is bound to give to them is, *No!*

But, to return to the main argument, it may be asked, Does not the extension of the sphere of public enterprise inevitably entail the diminution of the sphere of private enterprise; if, for example, you nationalise the railways, do you not take away from private enterprise one large region wherein it now rules supreme? The answer is that the extension of the sphere of public enterprise undoubtedly *modifies* the sphere of private enterprise; but that it does not necessarily reduce it. The question seems to assume that there is a certain fixed quantity of "enterprise," divided into two sections—viz. public and private—and that any increase in the one section involves a decrease in the other. That is not the case. Enterprise is capable of indefinite expansion. If the community, by means of its central and local authorities, takes over the tasks of making roads and bridges, of putting up street lamps and public clocks, of organising postal and telegraphic services; although it unquestionably obviates the possibility (or rather the necessity) of the tasks being undertaken by private persons, it nevertheless, in doing so, releases their energies for countless more fruitful enterprises, and provides them with means by which their individualistic and

competitive activities may be immeasurably more productive than they could otherwise be. Whether an industry such as the running of railways or the provision of electric light should be in public or private hands is a question of expediency, not of principle; it is not a question of socialism or individualism. It becomes a question of socialism or individualism only—and then only partially—when the doing of a thing by the public authority is supplemented by the prohibition of the doing of it by private enterprise. The post office, for example, is in the main a thoroughly individualistic institution. It was created by individualists to subserve individualistic ends; it is conducted on individualistic principles; the ranks of its servants are recruited by open competition; efficiency is rewarded by promotion, inefficiency entails dismissal; there are within its borders infinite inequalities both of grade and of remuneration; moreover, it depends for its efficiency upon privately owned railways, and for its solvency upon taxation drawn from the resources of a capitalistic society. The only socialistic (and therefore obnoxious) appurtenance of the post office is the law which forbids private persons from carrying letters, erecting telegraphs, or installing telephones. As Mr. Rykof of Russia remarks, "Competition between the state and private industry is the soul of business"; and several conspicuous defects of our postal organisation would probably be speedily remedied if private enterprise were allowed to enter and provide an alternative service.

In short, to confuse collectivism with socialism is a gross abuse of terminology, for the introduction and perpetuation of which the Fabians in general, and Messrs. Shaw and Webb in particular, are especi-

ally to be condemned. Mr. W. H. Mallock very justly draws attention to their offence. "Fabian writers," he says, "have been playing fast and loose alike with their language and their thoughts," adding that they "whilst defining socialism as being in its essence one thing," when they are asked for examples of its working, give examples of a wholly different thing—viz., collectivism.* One of the Fabians, however, ought to be exempted from Mr. Mallock's censure. Mr. Hubert Bland, in a work edited by Mr. Bernard Shaw himself, says vigorously and well: "To bring forward sixpenny telegrams as an instance of state socialism may be a very good method of scoring a point off an individualist opponent in a debate before a middle-class audience; but from the standpoint of the proletariat a piece of state-management which spares the pockets only of the commercial and leisured classes, is no more socialism than were the *droits de seigneur* of the middle ages. Yet," he adds, "this is the sort of sham socialism which it is as certain as death will be doled out by the popular party [and particularly by Mr. Bernard Shaw, he might have added] in the hope that mere state action will be mistaken for really socialistic legislation."† Dr. Schäffle strongly emphasises the importance for clarity of thought of keeping collectivism distinct from socialism. "One cannot," he says, "be too careful to avoid calling any and every development of the public management of industrial or social functions by the name of socialism; in other words, confusing social democracy with systems of public management"; and later, recurring to the

* See Mallock, W. H., *Studies of Contemporary Superstition* (1895), pp. 278-283, and 295-297.

† *Fabian Essays* (1889), p. 213.

same theme, he further remarks: "The essence of social democracy is *not* some degree of collective or state industry, nor even production of commodities under government supervision. It is an exclusive and universal system of collective production and distribution of commodities, entirely superseding the capitalist system and thus also the wage system."* Indignant Marxians rightly exclaim against the stupidity or hypocrisy with which, as they say, "literary parasites of the capitalist class [a very unkind allusion to the Fabians] are flooding the press with essays labelled 'socialism,' in which everything is called 'socialism' from a profit-sharing bakery to the government printing-office"; and they quite justly maintain that "government ownership is *not* socialism," and that "the transfer of industries from private firms to state ownership is simply a policy dictated by capitalist needs and for capitalist advantage," adding that "the most open enemies of socialism have nationalised railways and other businesses without in any way benefiting the working class."† Finally, we may note, M. Émile Vandervelde has devoted a whole book—*Le Socialisme contre l'État*—to demonstrating the fact that socialism and collectivism have no necessary connection with one another; that socialism is essentially the elimination of the capitalist, the expropriation of the landlord, the extinction of private enterprise, and the eradication of competition; while collectivism is merely a method of conducting business within the capitalist system—a method successful within very narrow limits, and

* Schäffle, A., *The Impossibility of Social Democracy* (English Translation, 1892), pp. 13 and 15. *Cf.* also Ely, R. T., *French and German Socialism* (1883), p. 236.

† A. Kohn, in the *Socialist Standard*, September, 1924.

a method which depends for such success as it achieves upon the circumambience of a capitalist society.

## § 2. Communism

Mr. Bernard Shaw, who identifies collectivism with socialism, also identifies socialism with communism. "Communism," he says, "is the same as socialism, but better English."* Perhaps he means "better Russian." For if it is merely "better English" it is difficult to explain the attitude of our Labour Party, which proclaims itself a socialist party yet refuses to admit communists within its ranks. Communists generally, however, would agree with Mr. Shaw. "Communism," they are fond of saying, "is only socialism with the courage of its convictions." When the Independent Labour Party enquired of Moscow, "In what respect does communism differ from other forms of socialism?" the reply came, "There are no other forms; there is only communism."† Mr. William Morris, so long ago as 1893, was of much the same opinion. Addressing the Hammersmith Socialist Society—after denouncing collectivism as "nothing more than a machinery of socialism"—he remarked: "Between complete socialism and communism there is no difference whatever in my mind. Communism is in fact the completion of socialism."‡ This view agrees with that expressed by M. Vandervelde in the words: "The ideal of us all, our ultimate aim, is communism."§

* Quoted by Mr. F. H. Hamilton in *Spectator*, October 24, 1925.

† Raine and Luboff, *Bolshevik Russia* (1920), p. 159.

‡ *Fabian Tract No.* 113, p. 11.

§ Vandervelde, É., *Collectivism and Industrial Evolution* (English Translation, 1907), p. 174.

It will be noted, however, that Mr. Morris and M. Vandervelde do, as a matter of fact, introduce a distinction. Only *complete* socialism is communism; and the attainment of communism is merely the *ultimate*, not the immediate, aim of socialists. In other words, both of them recognise the existence of a socialism which is not yet communism. The distinction thus introduced is strongly emphasised and carefully explained by Lenin in his book on *The State and Revolution*. "That which is generally called socialism," he says, "is termed by Marx the first or lower phase of communist society"; and he proceeds to trace, along Marxian lines, the evolution of embryo socialism (which bears many traces of "the taint of capitalism") into mature and fully developed communism.* The differences between socialism, or rudimentary communism, and mature and fully developed communism, are, he insists, "clear" and even "tremendous"—as clear and tremendous as those which differentiate the tadpole (which bears many traces of the taint of fishiness) from the frog.

What, then, are the features which distinguish socialism (*i.e.*, imperfect or tainted communism) from communism perfect and sweet? They are six in number. They are not, of course, fundamental differences. In all the great essentials socialism and communism are one and the same. They are differences of degree merely, not of kind; minor differences, not major. *First*, in the sphere of production, while socialism would abolish private property in land and capital only (leaving consumption goods in individual ownership), communism would abolish private property altogether. It would have all

* Lenin, N., *The State and Revolution* (American Translation, 1921), pp. 100-105.

things in common, including women and children. That Victorian pioneer, Mr. T. Davidson, stated the distinction lucidly when he said: "Socialism and communism are very generally confounded, but they are quite distinct economic systems. Socialism seeks only to control the instruments of production—land and capital. Communism leaves nothing to the individual which he can call his own."* Mr. Laurence Gronlund similarly—after complaining of the tendency of "even well-informed people" to confound communism with socialism—remarks: "Communists make *all* property common property, while our [socialist] commonwealth will place only the instruments of production under collective control."†

*Secondly*, in the sphere of distribution, while socialism would endeavour to reward each person according to his services to society—a method of reward with a very strong element of individualism in it—communism would distribute to each according to his needs, irrespective of his performances. Mr. Ramsay MacDonald expresses this difference clearly when he says in his book on *The Socialist Movement*: "Communism presupposes a common store of wealth which is to be drawn upon by the individual consumer, not in accordance with services rendered, but in response to a human right to sustenance"; and he continues to the effect that this distributive principle of communism "contains the difference between that system and socialism. From all according to their ability; to each according

* Davidson, T., quoted by Barker, J. E., *British Socialism* (1908), p. 383. *Cf.* also Glasier, J. B., *The Meaning of Socialism* (1919), p. 120. Mr. Glasier candidly confesses (p. 129) that "socialism merges insensibly into communism."

† Gronlund, L., *Co-operative Commonwealth* (1886), p. 105.

to his needs," he says, "is a communist, not a socialist, formula. The socialist would insert *services* for *needs*."* Lenin, speaking from the communist side, for once concurs with the English socialist leader. Reward according to "work performed," he contends, is merely "bourgeois justice," essentially individualistic and capitalistic in character. It is possible only in that transitional stage from capitalism to communism which is known as socialism. "In the first phase of communist society—generally called socialism—bourgeois justice is not absolutely abolished in its entirety." Later on "in the highest phase of communist society" mankind will be able, as Marx tells us, "to inscribe on its banner the motto, 'From each according to his ability, to each according to his needs.'"† In this paradise of distribution divorced from production—the practical principle of which would probably be, "From each according to his inclination; to each according to his desire"; or, more succinctly, from each nothing, to each everything—Lenin says, "There will be no need for any exact calculation by society of the quantity of products to be distributed to each of its members; each will take freely"‡—always assuming that there is anything to take. And there will be something to take, in all probability, so long, and only so long, as the preliminary plunder of capitalist society holds out.

*Thirdly*, as a sequel to this important difference in the principle of distribution, there follows in the sphere of exchange, as a natural consequence, the difference that whereas socialism recognises and

* MacDonald, R., *Socialist Movement* (1911), pp. 122-123.

† Lenin, N., *The State and Revolution* (American Translation, 1921), pp. 96-98.

‡ *Op. cit.*, p. 99.

requires the use of money, communism does not do so. It is, indeed, obvious that if each person takes what he wants, when and where he finds it, money ceases to be of practical service. It has no more use among men in society than it has among wild animals in the forest. Communism is, indeed, in many ways a reversion to the condition of primitive beasts. Or, from another point of view, it is, as Mr. H. G. Wells makes one of his characters tell us, "the sabotage of civilisation by the disappointed."* It means the abandonment of all those devices of barter, currency, and credit, by the aid of which the exchange of commodities has been rendered easy, and the amenities of life have been immeasurably increased. "Socialism," says Mr. Ramsay MacDonald, "requires some medium of exchange, whether it is pounds sterling or labour notes. Communism requires no such medium of exchange. . . . Socialism accepts the idea of income. . . . Communism considers only the sum total required by an individual to satisfy his wants."† This same difference between socialism and communism is emphasised by that notable exponent of the revisionist school, Dr. Tugan-Baranowsky. The one, he says, "supposes the use of money"; the other "has no place for money at all." He then goes on: "This deep and essential distinction accounts for the separation of socialism from communism; for wherever we meet with individual income we are in the domain of a socialistic order, and wherever this condition is wanting we have communism before us."‡

* Wells, H. G., *The World of William Clissold* (1925), i., 194.

† MacDonald, J. R., *The Socialist Movement* (1911), p. 125.

‡ Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), p. 17.

The three differences between socialism and communism just dealt with are all differences within the economic order. Taken together, they are well summed up and expressed by that modern exponent of Fabianism, Mr. Alban Gordon, who writes: "It is perhaps necessary once more to emphasise the difference between socialism and communism. Communism denies altogether the right of private property, saying bluntly 'All property is theft.' Under a fully communist state there would be neither wages, money, nor barter. Each citizen would give of his best to the state, and would receive his needs from the state. 'From each according to his strength; to all according to their necessity.' The communist party—I speak subject to correction—seriously believes such a state to be practicable. Socialists, on the other hand, totally deny its practicability either now or for generations to come."* It is pleasing for an individualist for once to find himself in hearty accord with a socialist. If all the opinions expressed in Mr. Gordon's book were as sound as this one, its title—*The Common Sense of Socialism*—would be an appropriate one.

Mr. Gordon, however, speaks of the "communist state," and in doing so he is using a locution which is all but a contradiction in terms. For Lenin distinctly tells us that "the state will be able to wither away completely when society has realised the formula: 'From each according to his ability; to each according to his needs.'"† In saying this, of course, Lenin is merely repeating one of the most

* Gordon, A., *The Common Sense of Socialism* (1924), p. 94.

† Lenin, N., *The State and Revolution* (American Translation, 1921), p. 99. *Cf.* also the section, pp. 18-25, on "The Withering Away of the State."

prominent of the dogmas of Marx and Engels. "The state," said Engels, "has not always existed." It is, and invariably has been, the organ of class domination. "With the disappearance of classes, the state, too, will inevitably disappear."* If the communist recognises the state at all, it is only as a temporary expedient during the stage of transaction from capitalism to the proletarian paradise. Here, then, is a *fourth* difference—a political difference—between socialism and communism. Socialism regards the state as a permanent institution. Some forms of socialism—and especially Fabian socialism, which is eager to camouflage itself as innocent collectivism—exalt and magnify the state as the central sun of their system. Communists, on the other hand, malign and vilify the state, regard it, even when in proletarian hands, as a merely interim institution, and ardently anticipate its withering away. "For the complete extinction of the state," reiterates Lenin, "complete communism is necessary"; and again: "Under communism the state will become quite unnecessary; for there will be no one to suppress."† All opponents will have been suppressed, of course, and will merely require burial.

There is, then, a marked political difference—ultimate rather than immediate—between socialism and communism. Socialists adore the state; communists detest and denounce it. Socialists would enlarge its sphere until it covers the whole of life; communists would restrict its sphere and starve it until it withers away. Socialists want us to be governed more than we are; communists less. Socialists profess to be out for order; communists

* Engels, F., quoted by Lenin, *op. cit.*, p. 17.

† Lenin, N., *op. cit.*, pp. 93 and 97.

for freedom. Socialism tends towards despotism; communism towards anarchy. Besides this conspicuous political difference, moreover, there is, *fifthly*, in the opinion of some, a social difference between the two. Communism is more rigidly equalitarian than socialism. Socialism, although one of its six essentials is the principle of the equalisation of human conditions, does nevertheless recognise, and permit within limits, divergencies of rank, of authority, of income, of consideration. Communism allows no such divergencies. "As soon," says Dr. Anton Menger, "as the principle of equality is applied to socialism, it becomes communism."* It was communism, and not socialism as is frequently stated, to which the celebrated Dr. Spooner objected when he complained that it tended to reduce all men to a "lead devil." Further, this rigid equalitarianism has the result that discipline, compulsion, repression, are much more prominent in communism than even in socialism — a strange result in view of the fact that communism professes to have, as its ultimate aim, anarchic freedom. "Compulsory labour," says Professor Laski, "is the road to communism."†

This anomalous idea of compelling a man to be free, which had its rise in the erratic mind of Rousseau, leads us to note the *sixth* and last important distinction between communism and socialism. It is a vital distinction of method. Mr. G. W. Gough goes so far as to consider it the only really cardinal distinction at the present day. "In an earlier phase of the socialist movement," he says, "there were

* Menger, quoted by Barker, J. E., *British Socialism* (1908), p. 383.

† Laski, H. J., *Communism* (1927), p. 162.

distinctions of economic theory between the socialists and the communists. To-day the only differences between them are temperamental. The communist is a socialist in a violent hurry."* One recurs to Mr. Zangwill's remark: "Bolshevism is socialism while you won't wait." Dr. Arthur Shadwell, while not so completely setting aside the other differences as does Mr. Gough, agrees that the distinction of method is now the all-important one. Both communists and socialists, he says, "aim at the abolition of capitalism and the establishment of the co-operative commonwealth; but the communists would achieve it by force and the dictatorship of the proletariat (as the Russian Bolshevists did), while the socialists rely on constitutional political action." Thus "the distinction is not between the economic ends, which are virtually identical, but between the means"; for communism "signifies the seizure of power by force or violent revolution, as distinguished from constitutional methods; and since such seizure can hardly be prepared for openly, it carries with it the idea of secret conspiracy."†

The difference, then, at the present moment between communism and what still calls itself socialism is almost wholly one of method and of pace. Socialism professes to be evolutionary, while communism is revolutionary; socialism constitutional and parliamentary, communism violent and sanguinary; socialism anxious to convert its opponents, communism bent on exterminating them; socialism aiming at democracy, communism contemplating dictatorship; socialism pacific, communism militant; socialism

* Gough, G. W., *The Economic Consequences of Socialism* (1926), p. 26.

† Shadwell, A., *The Socialist Movement* (1925), ii., pp. 95-96.

reformist, communism destructive; and so on, and so on.

Put briefly, the communist method is direct action, the socialist method is democracy. Direct action is the first stage in the process which is intended to lead to the social revolution, the sudden extermination of capitalism, the dictatorship of the proletariat, and the equalitarian elysium. Socialistic democracy hopes to achieve the same end by slower and less sanguinary means—by using the voting power of the proletarian majority in order to secure control of the machinery of government—parliament, cabinet, civil service, army navy, police—and then, by means of legislative statute, executive order, and judicial decision (and in particular through the agency of confiscatory taxation), extinguish capitalism, and place the proletariat permanently in possession of power.

The similarity of end tends to obscure the radical and irreconcilable difference of method. In Britain particularly, where logical consistency is not the most conspicuous trait of the national character, one and the same labour leader frequently displays himself as a revolutionary communist on the occasion of a general strike, and a constitutional socialist on the occasion of a general election. In this country, at any rate, there are few communists who never vote, and still fewer socialists who can find courage enough to decline to join " councils of action," soviet committees, or " general staffs " appointed in times of crisis to wage by violence the class war. Many social revolutionists, indeed, frankly avow that direct action (the communistic method) and parliamentary action (the socialistic method) are but the two feet by means of which the proletariat advances alternately to the conquest of sovereign power.

Nevertheless, in spite of the large common element in socialism and communism, and in spite of the fact that many men pursue either of the two as circumstances suggest, the difference between the two in the matter of method is profound and far reaching. For it affects the attitude of labour towards vital questions of social reform, economic development, and international policy. To put the matter broadly: the communist is indifferent to reform, antagonistic to peace, careless of details of wages and hours, wholly anti-patriotic, interested only in the catastrophic termination of the present system of things; while the socialist hopes by gradual encroachments, piecemeal reforms, extensions of franchise, captures of boards and councils, steady educational propaganda culminating in parliamentary ascendancy, to achieve his ideal commonwealth. This marked and radical difference of attitude, and the consequent wide divergence of practical policy, has caused, since the war, a broad and deep bifurcation in the ranks of the social revolutionaries. It was, for example, the communists, rather than the conservatives, that destroyed Mr. Ramsay MacDonald's government in the autumn of 1924; and it is the communists, rather than either conservatives or liberals, that are causing the most acute discomfort to the socialists at the present moment in Britain.

# PART II
# HISTORICAL

## CHAPTER IV

### ANCIENT AND MEDIÆVAL COMMUNISM

"Socialism cannot be clearly understood unless studied by the historical methods, which traces the course of events and sets out in proper sequence the development of ideas."—Dr. Arthur Shadwell.

We have now analysed and distinguished the conceptions of socialism, collectivism, and communism. We have observed that socialism is different in kind from collectivism, but different only in degree from communism; that collectivism is at most but one of various ways of advancing towards socialism, while communism is veritable socialism itself in its fullest and over-ripest form. We have further remarked that socialism—and, *a fortiori*, communism—can be detected and determined by the presence of six characteristics—one political, one social, and four economic—which can succinctly be summarised in the three expressions (1) *Political: communalism—i.e.*, the exaltation of community—whether humanity, or nation, or class—over the individual; (2) *Social: equalitarianism—i.e.*, the equalisation of human conditions, whether by the elevation of the low or by the degradation of the high; (3) *Economic: anti-capitalism—i.e.*, the elimination of the capitalist, the expropriation of the landlord, the extinction of private enterprise, and the eradication of competition. We have noted, further, that the anti-capitalistic, or economic, aspects of socialism

are incomparably the most prominent and important at the present day; and we have, again, observed that the communists stress them in even more exaggerated terms than the socialists. But we have also had to remark that socialists in their propaganda, and communists in their practice, have been compelled to modify or conceal their dogmas, and to make some exceedingly unprincipled compromises with the mammon of individualism—with the petty capitalist, the peasant proprietor, the small private adventurer, the competitive wage-earner. These compromises, however, we are assured—at any rate by the candid communists—are purely temporary in nature. They are concessions to a human nature which has been perverted by capitalist environment and corrupted by bourgeois education. When the process of either socialistic evolution or communistic revolution is complete, then the full anti-capitalistic programme will be realised.

Bearing in mind these essential features of socialism and communism, let us now turn our attention to the past, and enquire how far, whether in theory or in practice, either socialism or communism was known to antiquity; let us examine the nature of the so-called socialisms and communisms of the middle ages; let us seek the sources of modern socialism and communism, and, if possible, trace the process of their development from these sources. This historical survey is desirable, and indeed necessary, for two reasons: first, because it is sometimes claimed that socialism and communism, in fact, if not in name, are as old as the human race; and, secondly, because no movement whatsoever can be fully comprehended and properly interpreted unless it is studied in its origins and its evolution.

But this historical survey, though desirable and necessary, must inevitably be brief, although not on that account superficial. For sometimes the heart of truth can be reached in few words. It would be fascinating, indeed, did space permit, to examine in detail all the notable institutions of earlier ages which displayed communistic elements, and to analyse exhaustively the great books which expressed in some form or other inchoate socialistic ideas. But to do so would be—as all will realise who have consulted the standard histories mentioned in the bibliography at the end of the present volume—to swell the bulk of this book to an unmanageable size, and also to militate against its main purpose. For the purpose of this book is practical; and the present historical section is but a link between the analytical section which comes before it and the critical section which follows it. The aim of the present section is to apply the tests arrived at in the preceding section to the ideas and institutions of the past, in such a way as the more completely to understand, and the more effectively to criticise, the socialism and the communism which are potent and prevalent today.

### § 1. Barbarians, Warriors, and Saints

A favourite theme of older socialistic writers was the so-called communism of primitive man. They drew imaginary pictures of a society in which the individual was wholly merged in his tribe; in which complete equality prevailed; and in which there was a full community of both goods and wives. In their opinion, civilisation marked a decline from this condition of primeval felicity, and in their zeal for social therapeutics they sought its cause and cure.

Its cause they discovered in the institution of private property; and for its cure they prescribed a return to communism.* Needless to say, no such condition of primeval felicity ever existed. The only solidarity of the uncivilised tribe was the predatory solidarity of a pack of wolves, or the panic-stricken solidarity of a flock of sheep; the extremest inequalities, ranging from chieftain to slave, and from man to woman, prevailed; private property in all that was regarded as wealth was recognised, and maintained by all the methods still exemplified by the habits of the gorilla and the chimpanzee. In so far as there was communism, it was a communism of terror and hatred, poverty and anxiety, brief life and painful death.†

In historic times the nearest approach to a communistic state among ancient peoples was exhibited by Sparta. In that Dorian city-state was realised more closely than in any other recorded polity the first of the principles of socialism—viz., the entire subordination of the individual to the community. "The whole Spartan people formed a military caste," Professor Bury tells us; and "the life of a Spartan citizen was devoted to the service of the state." Again: "Sparta was a camp in which the highest object of every man's life was to be ready at any moment to fight with the utmost efficiency for his city." Hence " the individual man, entirely lost in the state, had no life of his own ": he was subjected to " an iron discipline " which controlled all his actions from

* *Cf.* Carpenter, E., *Civilisation, its Cause and Cure* (1889).

† *Cf.* Spurrell, H. G. F., *Modern Man and his Forerunners* (1917). Note also that Bliss, W. D. P., *Handbook of Socialism* (1907), p. 39, agrees with Fustel de Coulanges that primitive communism was really slavery.

the cradle to the grave.* If as an infant the prospective warrior were sickly, the cradle and the grave coincided; for the government extinguished his unpromising existence. If he were lusty, the government took charge of him; trained him with extreme severity, fed him at public tables, mainly on black broth; married him at the proper time; armed him, and sent him forth to slay or be slain. In Sparta, then, the subordination of the individual to the community was as nearly complete as is possible. But this by itself does not constitute communism; it is nothing more than strict military discipline or communistic freedom. And the other essentials of communism are lacking. There was in Sparta conspicuous social inequality: at one extreme were kings, ephors, and nobles; at the other extreme were hordes of helots, compelled to toil in serfdom, and kept in subjection by merciless punishment, by frequent assassination, and by occasional massacre. In the economic sphere there was what at first sight, but at first sight only, has a communistic appearance: a fixed portion of public land was set apart for the maintenance of each citizen. But this portion was cultivated by helots, who sent a stipulated amount of produce to their lords and kept the remainder (if any) for their own support. Apart from this, the citizens were allowed to own private estates which they could dispose of as they liked. Hence, as Professor Bury remarks, "the communism which we observed in the life of the citizens was only superficial."†

* Bury, J. B., *History of Greece* (1900), pp. 130-136.

† Bury, J. B., *op. cit.*, p. 134. A communistic characteristic which Professor Bury does not mention, one especially associated with the "reforms" of Lycurgus and of Agis, was the repudiation of debts.

But though superficial only, the communistic element in the Spartan polity was sufficient to stifle progress and to cause ultimate ruin. Suppression of private enterprise prevented the development of any foreign commerce; concentration on slave-driving and war rendered fruitful industry impossible; thwarted acquisitiveness led to corruption and evasion of law; absence of friendly intercourse with neighbours, combined with lack of privacy and leisure at home, kept the Spartans ignorant and idiotic, until finally they became out of date and inefficient even in their chosen sphere of the art of war, and they perished "hated and abhorred" both by their subjects whom they oppressed and by the surrounding peoples whom they continually annoyed. They were in fact a primitive working model, fraught with impressive warnings, of a soviet republic.*

Communism of a religious character—marked by subordination of the individual to the sect, by abject equality, and by a complete abnegation of worldly possessions—was found in antiquity among the Buddhists of India, the Essenes of Palestine, and the Therapeutæ of Egypt. But this communism differed so fundamentally from the communism of modern times that it throws no light upon it. First, it was devoid of all the economic elements which are the active principle of modern communism. Buddhists, Essenes, and Therapeutæ alike sought poverty, not wealth; vowed themselves to chastity rather than

* For a full discussion of the communistic features in the Spartan polity, see the first chapter of Robert von Pohlmann's *Geschichte der sozialen Frage und des Sozialismus in der antiken Welt* (1912), where also will be found descriptions of similar features, mainly common meals, in the polities of Lipara, Crete, etc.

to free-love; looked for their reward beyond the confines of this life instead of fixing their hopes wholly on the present. Secondly, the motive which enabled them to endure the miseries which communism necessarily entails was religious. They welcomed destitution, discipline, repression, and the mortification of the flesh because they believed that these light afflictions which were but for a moment worked out for them, whether in Nirvana or in Paradise, a far more exceeding and eternal weight of blessedness. The only kind of communism which has ever displayed even an approximation to permanence and success upon earth has been this emasculated and transfigured communism of religious sects—a communism devoid of economic significance, and a communism inspired by fanatical faith.*

## § 2. Phaleas and Plato

When we turn from the realm of communistic institutions to the larger and more flourishing realm of communistic imagination, we find that the first recorded constructor of an ideal polity was a certain Phaleas of Chalcedon, who lived some six centuries before the Christian era. Of the man and his work we, unfortunately, know next to nothing. It is probable, indeed, that all memory of him would have perished had it not been for the fact that Aristotle has immortalised him by devoting a whole chapter of his *Politics* (Book II., chapter vii) to a demolition of his utopia. He envisaged, it appears, a small state in which all the citizens were politicians and all the artisans were slaves, and one wherein equality among

* For a sketch of the communism of Buddhists, Essenes, and Therapeutæ, see Woolsey, T. D., *Communism and Socialism* (1879), pp. 24-33.

the citizens was maintained by equality of landed property and equality of education. Aristotle had no difficulty in demonstrating the fatal flaws in Phaleas's visionary structure.

Immeasurably more important, and more worthy of the close and critical examination to which Aristotle subjected it, was the picture of an ideal communistic state presented by Plato in his famous and magnificent *Republic*. The Greek city-state, whose perfect type Plato essayed to depict, had come into being, under pressure of extreme peril, to safeguard the mere existence of its founders. The πόλις was a fortress, and the original citizens were its garrison. "It was," says Professor J. L. Myres, "from the common bond of mutual defence and the maintenance of a common camp of refuge, in an age of violence, that the Greek city-state and its citizens took their eventual nomenclature."* Athens, then, like Sparta, began as a military settlement in the midst of foes bent upon its extermination. But, unlike Sparta, it passed beyond this stage. It attained to comparative peace and security, and the citizens were able to extend their attention from the mere preservation of life to the development of the good life. Military discipline was relaxed; culture and anarchy took its place. Culture and anarchy in Athens had their advantages. Freeing the individual from restraint, and providing him with the opportunity of self-realisation, they established conditions in which the human intellect displayed some of its most magnificent achievements. But they had their disadvantages too. Selfishness, avarice, moral corruption, neglect of civic duty, began to characterise many of the emancipated populace. In-

* Myres, J. L., *Political Ideas of the Greeks* (1927), pp. 34-38.

stead of regarding themselves as citizens who owed their prime service to the state, they came to look upon the state as a means for the attainment of their private ends. With the base individualism of the modern Marxian, they tended to regard the possession, or the capture, of political power as the first step towards self-enrichment. Plato (427-347 B.C.), watching the rapid demoralisation of the Athenian democracy, came to the conclusion that the root cause of the corruption of citizenship was the combination of political power and economic interest in one and the same person or class of persons. He perceived that it was almost impossible for those who both ruled the state and earned their own living, not to use the instruments of government to advance their private well-being beyond the limits of the just and equitable. He therefore came to the conclusion that the only way to restore purity to politics was sharply and decisively to separate politics from economics. Thus, in his *Republic*, he divided the citizens into two groups: on the one side the producers, who in the interest of economic efficiency continued to live the individualistic life of private enterprise, but who played no part in public affairs; on the other side, the guardians and warriors, wholly devoted to the work of administration and defence, who, freed from the necessity of earning their living, were supplied with the requisites of existence by the producers whom they protected and watched over. These guardians and warriors—and these alone—lived the communistic life of asceticism and poverty. Without property, without homes, without wives or children whom they could call their own, without privacy, without possibility of any manifestation of individuality, they dwelt apart, a permanent garrison

and civil service, excluded from all share in the economic activities of the city-state. Plato's communism, therefore, obviously has but little affinity with the communism of Lenin and Trotsky. It is political, not economic. It is community in civic service and personal sacrifice; not in the production, distribution, and exchange of wealth. It has the one communistic characteristic of the subordination of the individual to society; but that is all. It is not marked by equality, but by many and various grades and distinctions of honour and reward. Above all it is, as we have just observed, completely lacking in those economic features which are the outstanding marks of modern communism and socialism.*

### § 3. Moses and the Prophets

Aristotle, criticising Plato's *Republic* in his *Politics* (Book II., chapters ii.-v.), had no difficulty in showing, first, that the evils which Plato observed were due to defects in human nature rather than to flaws in political machinery, so that without a moral reformation no change in the organisation of society would be effective; secondly, that the institutions of private property and the family are essential for the development of the complete man and the good citizen. "With all things in common, the citizens are worse men and the state a worse state."†

It did not, however, require Aristotle's critical skill to demolish the structure of Plato's noble but impracticable fantasy. The divorce between politics and economics which Plato desired could not be

* *Cf.* Barker, E., *Plato and his Predecessors* (1918), pp. 206-238.

† Boyd, W., *Introduction to the Republic of Plato* (1922), p. 105.

achieved. The democracy would not surrender its political power, or cease to use it for the purpose of despoiling the rich. The aristocracy, on the other side, would not willingly surrender its possessions, or cease to exploit the commonalty. Hence furious faction, constant conflict, culminating in recurrent civil war, weakened the Greek city-state and left it an easy prey to the Macedonian conqueror. Sparta and Athens alike were absorbed into the empire of Alexander the Great The partially realised communism of Sparta was wholly swept away; the Platonic dream for the communistic regeneration of Athens was placed for ever beyond the possibility of attainment.

Neither communism nor socialism had any place in Alexander's empire, or in the Roman empire, which was its successor and heir. The claim, made by Mr. Beer and others, to find socialistic or communistic elements in such things as the Roman agrarian laws, the reforms of the Gracchi, the revolt of Spartacus, the public provision of bread and games for the degenerate proletariat, the doctrines of the Stoics, or the Neo-Platonism of Plotinus, is merely to confuse socialism with other forms of folly; to regard as communism any violent attack upon constitutional authority and private property; and to treat as an anticipation of Marx any body of subversive dogma which emphasises the claim of the lazy and inefficient many to live at the expense of the industrious and capable few. It would be as just and reasonable to claim as socialists the barbarians who, in the fifth century of the Christian era, expropriated the Roman landlords; or the burglars and bandits who in all ages have striven to eliminate the capitalists. For, after all, the motive principle of

socialism—*i.e.*, of effective and operative socialism, the socialism of Moscow and of Glasgow—is *not* altruism, the desire for the good of others, but acquisitiveness, the desire for the goods of others.*

If we wish to discover in antiquity institutions and ideas, other than those already noted, which do as a matter of fact display some of the differentia of socialism or communism, we have to turn from the Hellenic to the Hebraic world—to close the classics and open the Bible.

There are some who think that the Bible begins with a picture of socialism in working order; and that the Garden of Eden was a communistic institution. This is an alluring but indefensible view. It is true that there was in that primitive paradise the absence of many of the characteristics of modern capitalism. There was no private property in land, no competitive industry, no enterprise of any sort. The abundance of food, especially of apples, combined with freedom from the necessity of wearing clothes, made it possible for a life of complete idleness to be lived. But all this, by itself, does not constitute communism. If we apply the decisive tests, they yield negative results. We have no reason to think that the community was exalted over the individual; we have every reason to think (especially if we accept the authority of Milton) that extreme inequality prevailed. We can discern none of the economic features of communism. There was, indeed, nothing socialistic in the Garden of Eden. It is interesting and significant, however, that those who seek for

* For the supposed socialism of the Roman empire see Beer, M., *British Socialism* (1919), i. pp. 3-5; *Social Struggles in Antiquity* (1922), pp. 120-177; *Social Struggles in the Middle Ages* (1924), pp. 31-37.

examples of socialism in operation should look for them in the records or the legends of non-economic societies. For it suggests, what is indeed the truth, that socialism is an economic system which will work only when non-economic motives—such as religion or family affection—are dominant.

Professor Graham sees socialism in Moses and the Prophets! "Moses," he says, "was so far a socialist that we can clearly see his endeavour, by judicious institutions, to prevent great inequality amongst the Jews."* As though one element of socialism, in the absence of all the rest, were enough to constitute the genuine article! Similarly, in Professor Graham's eyes, on equally inadequate grounds, "the Prophets were socialists; Isaiah the greatest of socialists."† Why? we ask. Because, he replies, they denounced the rich, and condemned the oppressor of the widow and the orphan. Since when was denunciation the peculiar mark of the socialist, enabling one to distinguish him from either the puritan zealot or the anarchist? Professor Graham, however, does not stand alone. Mr. Beer supports him. For it is apparently solely on the ground of the unrestrained violence of their language that Mr. Beer specifically claims as pioneers of socialism, and heralds of the class war, the prophets Amos, Hosea, Micah, Isaiah, Jeremiah, Zephaniah, and Ezekiel.‡ One may freely admit that unrestrained violence of language is a frequent feature of socialist literature, but none except a socialist would have dared to make it a distinctive mark of socialism itself. Again, the Rev. Conrad Noel, with repre-

* Graham, W., *Socialism New and Old* (1890), p. 22.

† Graham, W., *op. cit.*, p. 23.

‡ Beer, M., *Social Struggles in Antiquity* (1922), pp. 29-40.

hensible haziness of thought, sees traces of socialism not only in the virulent denunciation of the rich in which the prophets indulged, but also in the Old Testament prohibition of usury (the restricted nature of which prohibition he ignores), in the periodical redistribution of lands (which speedily had to be abandoned), and in the general application of religion to economics.* If the general application of religion to economics is what constitutes socialism, it may be argued that those individualistic and enterprising capitalists whom Dr. Samuel Smiles glorifies in his *Self-Help* were better socialists than Marx or Lenin, than Mr. William Morris or Mr. Belfort Bax. Such is the nemesis of confused ideas and unclarified sentiment, which, as John Austin would have said, "deluge the field of politics and sociology with muddy speculation."

### § 4. The So-called Socialism of Christ

More serious and more worthy of careful consideration is the claim, frequently made by superficial students of the New Testament, that Christ was a socialist. "Did Jesus Christ teach socialism?" asks a certain writer who signs himself "Veritas," and he replies to his own question: "Unless we are prepared to deny the truth of the Gospel, there can be but one answer—Yes."† The amiable M. Émile de Laveleye would seem to concur; for he says that "every Christian who understands and earnestly accepts the teaching of his Master is at heart a socialist," and if we ask him why he says so, he replies, "No one can deny that Christianity preaches the raising up of

* Noel, C., *Socialism in Church History* (1910), pp. 33-54.
† Quoted Barker, J. E., *British Socialism* (1908), p. 27.

the poor and the downtrodden," or that " it inveighs against riches as vehemently as the most radical socialist."* From which it would appear that the mere desire to equalise human conditions by pulling down the mighty from their seat and by exalting the humble and meek, if accompanied by sufficient immoderation of language, is enough to give one a claim to be regarded as a socialist. The Rev. Stewart Headlam, the leader of the modern High Anglican school of so-called Christian socialists, sees a much more extensive and permeating socialism in the Gospels. He regards the *magnificat* as socialistic; the sacraments as socialistic, the parables as socialistic, even the miracles as socialistic. Of the last he remarks that they were *all* " distinctly secular, socialistic works—works for health against disease; works restoring beauty and harmony and pleasure where there had been ugliness and discord and misery; works taking care to see that the people were properly fed; works subduing nature to the human good; works showing that mirth and joy have a true place in our life here; works also showing that premature death has no right here."† Apparently this benevolent and devoted clergyman labels everything that he approves of or desires by the comprehensive and long-suffering name of " socialism."

If, with the essentials of socialism in our mind, we enquire what it is that gives " Veritas," and Laveleye, and Headlam, together with many other estimable and devout persons, the impression that the teachings

* Laveleye, É. de, *Socialism of To-day* (English Translation, 1884), pp. xviii-xix. *Cf.* also pp. 111 and 118.

† Headlam, S. D., *Christian Socialism*, Fabian Tract No. 42 (fourth reprint, 1905), p. 2.

and works of Christ were socialistic, we observe, first, that Christ undoubtedly advocated unselfishness, altruism, the subordination of personal desire and individual interest to the good of others, and that he exemplified his teaching by a life of limitless beneficence and self-sacrifice; secondly, that he proclaimed the equality of all men in the sight of God, that he urged the rich to reduce themselves to the level of the poor by selling their possessions and distributing the proceeds indiscriminately, that he was boundlessly pitiful of the needy and forlorn, doing all that was possible to alleviate their sorrows and satisfy their wants; and, thirdly, that, in the economic sphere, he deprecated and denounced the pursuit of wealth, the passion for property, the struggle for place and power, the lust of the world and the pride of life. But do all these things, together with many others like them, constitute socialism? They do not. They belong to a sphere from which socialism is entirely alien and absent. They relate wholly to the realm of the spiritual, the eternal, the divine. To Christ, in sharp distinction from the socialist, it was a matter of entire indifference whether men were rich or poor, high or low, bond or free, hale or sick, alive or dead, except in so far as these conditions affected the soul's relation to God, and served to determine the issue of everlasting salvation or perdition. Christ taught that the end of the world was at hand, and that in view of the impending day of judgment none of those things with which the socialist is primarily concerned—private ownership of the means of production, surplus value, wages and profits, confiscation or compensation, and so on—are of the slightest importance. When men came to him with economic

problems, and asked him to decide questions relating to the division of inheritances or the payment of taxes, he rebuked them for troubling themselves about transitory matters of such utter insignificance, to the neglect of the only things that were of infinite importance. Did he exalt the community above the individual? On the contrary he insisted—in face of the political theory of Greek, Roman, and Jew alike—that nothing except the individual soul has any value at all. The great saying, "Render unto Cæsar the things that are Cæsar's, and to God the things that are God's," was a challenge to all that was socialistic in the polity of the ancient world: it connoted the conversion of religion from a communal to a personal concern. Did Christ strive to equalise human conditions? On the contrary, for human conditions as such he had no concern whatsoever. He regarded poverty as chronic, and preferred it to riches as a preparation for the kingdom of heaven; he accepted slavery as established, and thought that the slave was blessed in having a better prospect of salvation than his lord; he made no suggestion whatsoever of any desire to alter the social gradations of men upon earth, since all were destined so soon to meet before the equalising judgment seat of God. Did he advocate the elimination of the capitalist, the expropriation of the landlord, the extinction of private enterprise, the eradication of competition? To ask the question is to expose its absurd irrelevance to anything contained in the Gospels. Did he look for the salvation of the race to come from an improved environment and ameliorated circumstances? On the contrary, he constantly insisted that it could come only by way of conversion, regeneration, and sanctification; all

achieved by the direct and immediate operation of divine grace upon the individual soul.

In short, to speak of "the socialism of Christ" is an abuse of language, and it indicates a confusion of ideas beyond what is tolerable even in a clerical member of the Guild of Saint Matthew or the Industrial Christian Fellowship. As Dr. Flint well says, after an exhaustive discussion of the question: "There is not a particle of evidence for the existence of the socialist Christ. He died on the cross as the author of an eternal salvation, and not as the promulgator of a political panacea."* This opinion is entirely in accord with that of socialists who know what socialism really is, and do not conceal their knowledge. "As to the ethical teaching of Christ," says Mr. Belfort Bax, "with its one-sided, introspective, and individualistic character, we venture to assert that no one acquainted with the theory of modern scientific socialism can for one moment call it socialistic."† Similarly Mr. Leatham, who has made a special study of the subject, concludes, "Personally, I feel called upon to attack Christianity as I would any other harmful delusion," and he argues rightly that "the practical teachings of Christ are directly opposed to the practical teachings of socialism."‡

* Flint, R., *Socialism* (1895), pp. 450-451. *Cf.* also Hartt, R. L., *The Man Himself* (1924), pp. 37-43, and Martin, A. D., *Aspects of the Way* (1925), pp. 34-36. The whole question is treated by Dr. Ernst Troeltsch in his great work on *Die Soziallehren der Christlichen Kirchen* (1912), pp. 15-58, where strong emphasis is laid on the fundamental individualism of the Gospel.

† Bax, E. B., *Religion of Socialism* (1887), p. 52.

‡ Leatham, J., *Was Jesus a Socialist?* (1903), pp. 6, 14.

### § 5. Early Christian Communism

That there was a communistic element in the early Christian church is well known to every reader of the Acts of the Apostles. In the primitive congregation at Jerusalem, if nowhere else, for a brief period, "all that believed were together and had all things common; and sold their possessions and goods, and parted them to all men, as every man had need."* The non-economic character of this communism is, however, obvious. Troeltsch calls it "love-communism." It was a communism generated by religious ecstasy; it arose from a total disregard of earthly goods; it was based on a conviction that the end of the age was imminent, and that a great combustion would speedily immolate all wealth. This basal conviction, of course, proved to be an illusion. Hence, as all production of wealth had ceased—as it probably would cease under any form of communism—the church at Jerusalem was soon reduced to destitution, and for many years the missionary labours of Saint Paul in Asia and Europe were hampered by the distracting necessity of making collections from Christian owners of private property to save from starvation these mistaken communists, who had eaten up their own possessions. It may be further noted that this disastrous experiment in communism, short as it was, led to the tragic deaths of Ananias and Sapphira, the story of which emphasises the important fact that early Christian communism was voluntary, and that it fully recognised the right of private property: "While it remained, was it not thine

* *Acts* ii. 44-45. *Cf.* also iv. 32.

own? And after it was sold, was it not in thine own power?"*

The spirit of this unworldly or other-worldly communism lingered in the early church, although, so far as we are informed, no further attempts to put it into practice were made after the spectacular collapse of the commune of Jerusalem. The postponement of the second advent of Christ; the need of returning to work in order to maintain existence; the desire to possess property in order to minister to the poor and assist the spread of the Gospel—all tended to restore the nascent church to practical sanity. Nevertheless, the profound belief of the Christian community in the superior importance of heavenly to earthly wealth; its dread of the spiritual peril associated with great worldly possessions; its faith in the virtues of charity, and the merits of asceticism and self-denial; its recognition of the brotherhood of the faithful, and the duty of succouring the elect, resulted not only in the organisation of a widespread (and frequently demoralising) system of doles, but also in the utterance of many non-economic sentiments by the Christian Fathers. Thus Barnabas exhorted to free alms-giving; Justin Martyr gloried in the indiscriminate charity of the church; Clement of Alexandria denounced the love of money as sin; Lactantius fulminated against avarice; Basil of Cæsarea advocated a return to common meals; Chrysostom, preaching in luxurious Constantinople,

* *Acts* v. 4. Incidentally it may be remarked that Kautsky is quite wrong when he says, in his *Foundations of Christianity*, that Ananias and Sapphira were destroyed because they "withheld some of their money from the congregation." This was not so. They were destroyed because they told lies; because, that is, they professed to be giving the whole of the price of their field, when they were giving a part only.

urged a revival of the simple life of the primitive community of Jerusalem; Ambrose of Milan, anticipating Proudhon, went so far as to speak of property as theft; and so on, indefinitely.* But in all this there was nothing necessarily or essentially socialistic. The Fathers were concerned with ethics and religion, not with economics and politics. The salvation of individual souls was the object of their great endeavour, not a social revolution. What they desired was not an equalisation of wealth, but the emancipation of all from the spiritual impediment of property. They were tending towards the ascetic ideal of mediæval monasticism, rather than towards the acquisitive ideal of modern communism.

### § 6. Mediæval Solidarity

One feature of socialism—viz., the exaltation of the community over the individual—was markedly present and prominent in mediæval Christendom. The church, as the great society, claimed the allegiance and commanded the obedience of all men; and to the interests of the church all personal interests were subordinated. Nevertheless, even so, it should be noted that the pre-eminence of the church was entirely due to the high estimate placed by the Gospel on the individual soul. The church was dominant precisely because it was only in and through the church that the individual could attain eternal felicity, which was the only thing that mattered.

The second characteristic of socialism—viz., the principle of equality—also was not lacking. From

* *Cf.* Thonissen, J. J., *Le Socialisme dans le Passé* (1850), pp. 51-81; Carlyle, A. J., *Mediæval Political Theory* (1903), i., pp. 132-146; Noel, C., *Socialism in Church History* (1910), pp. 91-114; Beer. M. *Social Struggles in Antiquity* (1922), pp. 197-208.

thousands of pulpits for a thousand years the truth was solemnly proclaimed that the fatherhood of God implies the brotherhood of Man; that in the presence of the Christian mysteries earthly distinctions vanish away; and that before the judgment seat of Christ all men stand on a par. Nevertheless, even so, it should be noted that this spiritual equality had in it no reference to the gradations of terrestrial rank. No society was ever more nicely or more rigidly stratified than was the society of mediæval Christendom. From monarchs and nobles at one extremity to serfs and slaves at the other, every man held the station to which he was born and from which it was extremely difficult for him to depart. It was in fact precisely because the mediæval insistence upon spiritual equality was so strong, and because the importance of the sphere within which this equality prevailed was so universally admitted to be paramount, that so little attempt was made to break down the barriers of mediæval caste. Not until faith began to decay and the commonalty lost its consciousness of the spiritual world did rebels ask the revolutionary question:

> "When Adam delved and Eve span,
> Who was then the gentleman?"

As to the economic essentials of socialism, they were of course wanting. They were merely anticipated by such ethical maxims as that usury should not be taken, that just wages should be given and only just prices exacted, that contracts should be kept, that honest work should be done, that the poor should be relieved, and so on. Thus, although there was a solidarity about the world of mediæval Christendom which is lacking in the world of modern

materialism, the solidarity was that of religion—the solidarity of the invisible kingdom of heaven, and not that of a socialistic state.

Within the mediæval church, however, there were certain institutions which displayed communistic elements, and also certain writers who expressed ideas tending in a socialistic direction. Mediæval monasticism, as has often been pointed out, was communistic in its structure: the monk became lost in the society, dropping even his name; he abandoned whatever rank or office he may have held, becoming a simple brother; he divested himself of all property, taking the vows of poverty, chastity, and obedience. If there had been an economic purpose in all this we should have had communism pure and simple. But, as Father Bede Jarrett has well said, "Monasticism had for its primary intention the contemplation of God."* Withdrawal from the world, abnegation of self, mortification of the flesh, abdication of rank and wealth—all these things were but means to the great end of the attainment of the beatific vision. That is where mediæval monasticism differed so profoundly from modern communism. The essence of monasticism was an intense spiritual individualism; the communistic organisation of the monastery was but an accident, with which indeed the stricter eremites dispensed. The essence and end of modern communism is the appropriation of exactly those material goods of which the monk, in common with the eremite, most eagerly and completely divested himself. It should, further, be remarked that even this religious communism of the mediæval monastic system would not have been able to maintain itself had it not been supported and

* Jarrett, B., *Mediæval Socialism* (1916), p. 13.

sustained by the individualist world outside. For its continued existence it depended on voluntary recruits, on gifts of land by private owners, on provision of working capital by pious benefactors, on grants of powers and privileges by external patrons. Communism, indeed, is possible only in a capitalistic world, on the resources of which it can draw, whether by means of endowment as in the middle ages, or by means of spoliation as in the present day. Communists who would destroy capitalism are like idiots sawing away at the branch of a tree on which not only are they sitting, but from which they derive their sole nutriment. At the Reformation, when the impious world resumed its grants of land and capital, mediæval monastic communism perished.

When we turn from the sphere of institutions to that of ideas, we note that echoes of the other-worldly communism of the primitive church, and repetitions of the anti-mundane exhortations of the apostolic Fathers, are to be heard in the utterances of such late mediæval visionaries as Joachim of Floris, Amalrich of Bena, the spiritual Franciscans, and the anti-papal Scotists. Attempts, moreover, to realise in practice some sort of religious communism, usually accompanied by antinomianism and free-love, were made by many heretical sects during the centuries of mediæval decline. The Cathari and Bogomils of the tenth century; the Patarini of the eleventh; the Arnoldists of the twelfth; the Albigenses and Humiliati of the thirteenth; the Apostolic Brethren and Waldenses of the fourteenth; and the innumerable sects of the fifteenth, all produced men who displayed a remarkable ingenuity in finding theological reasons for defying established authority, violating law,

abandoning conventional morality, annexing other people's property, and appropriating other men's wives. These mediæval decadents were certainly true communists in embryo. The religious nature of their arguments did not conceal the essential fleshliness of their primary aims.

The first clear Marxian notes, however, came from the inspirers of the peasants' revolts, which filled with indescribable horrors the centuries of transition from mediæval to modern times. In fourteenth century England, for example, Langland in his *Piers Plowman* (Book XX.) remarked that the social revolutionaries "preach of Plato and prove it by Seneca that all things under heaven ought to be in common"; Wycliffe in his *De Civili Dominio* (vol. i., chapter xiv.) argued that "communism is not opposed to Christianity" since "the apostles held all in common"; but, above all, John Ball, as reported by Froissart in his *Chronicles* (vol. viii., chapter cvi.), heralded the red dawn. "Good people," he is said to have exclaimed, "things will never go well in England so long as goods be not in common, and so long as there be villains and gentlemen. By what right are they whom we call lords greater folk than we? Why do they hold us in serfage? If we all came of the same father and mother, Adam and Eve, how can they say or prove that they are better than we, if it be not that they make us gain by our toil what they spend in their pride? They are clothed in velvet and warm in their furs and ermines, while we are covered with rags. They have wines and spices and fair bread, while we have rye, thin oats, and straw, and water to drink. They have leisure and fine houses; and we have pain and labour, the rain and the wind in the fields. And yet it is of us and

our toil that these men hold their state." Here is the true, authentic clarion-tone of modern communism. There is in it no suggestion of religion; it is entirely of material goods that it sounds. It includes no faintest strain of love of the brethren; it is strident with envy, hatred, malice, and all uncharitableness. The notes of asceticism, self-denial, spirituality are wholly wanting; the painful discord is eloquent only of acquisitiveness and greed. It will be observed, too, that such argument as is advanced in its frenzied appeal to predatory passion is a clear anticipation of the Marxian fallacy of "surplus value." Thus, even in this curious fourteenth-century manifesto, rudimentary communistic theory displays itself as essentially an attempt to rationalise robbery.

## CHAPTER V

### EARLY MODERN COMMUNISM

"We shall never understand socialism fully, nor know either its strength or its weakness, without some knowledge of its past history."—PROFESSOR W. GRAHAM.

WE have had occasion more than once to remark that Marxian socialism is in reality little more than predatory individualism trying to justify itself by an appeal to perverted ethics and prostituted economics. Similarly the fourteenth-century communist manifesto of John Ball which we have just examined is an almost naked incitement to the idle and depraved proletariat to plunder and to slay. It is devoid of all idealism, of all sense of community, of all mercy, of all rationality. It is a horrible exhibition of the selfish and bestial appetite of the everlasting, constantly resurgent, and essentially antisocial cave-man who lurks in the dark places of universal human nature. Shakespeare was depicting John Ball rather than Jack Cade—who was a political adventurer and not a social agitator—when, in the second part of his *Henry VI.* (Act iv., Scene 2), he set forth the effective arguments of the communist demagogue of every age. "When I am king," cries the agitator, "there shall be in England seven halfpenny loaves sold for a penny; the three-hooped pot shall have ten hoops; and I will make it felony to drink small beer. All the realm shall be in common. . . . There shall be no money. All shall

eat and drink on my score, and I will apparel them all in one livery, that they may agree like brothers, and worship me their lord." The first step towards this proletarian paradise is to be the slaying of all lawyers, and the work of slaughter is at once begun upon a clerk of Chatham, unfortunately present, who is found to have in his pocket "red letters"—which are no doubt declared to be forgeries fabricated by the diabolical fraudulence of a capitalistic government.

The anarchic communism of the peasants' revolts in Flanders (1323-28), France (1358), England (1381), Bohemia (1419-36), and Germany (1524-25), was but one of the many indications which the fourteenth and succeeding centuries gave of the break-up of the mediæval Christian commonwealth and the emergence of the lawless individual. The sense of solidarity which had characterised the ages of faith passed away; catholicism lost its hold over the minds and consciences of men; the power of the world-to-come dwindled; lust for the good things of this life supplanted the quest of the holy grail and the effort to attain the celestial felicity. The three great classes of the mediæval polity—*oratores*, *bellatores*, *laboratores*—who for centuries had ideally co-operated for the common weal, broke asunder in pursuit of selfish and mundane ends. The *bellatores* despoiled the *oratores*; and the *laboratores* manifested a strong desire (the full realisation of which had to be postponed to the present age) to expropriate and exterminate them both. No wonder that the pious felt that the end of the age drew near; that the devil, chained for a thousand years, had been let loose; and that the final conflagration was at hand.

The Renaissance and the Reformation, initiated in the midst of these profound social and political

changes, were markedly individualistic movements. They signalised the emancipation of the human spirit from the bonds of mediæval authority; the recovery of freedom of thought; the revival of adventurous experiment in action. They gave rise to magnificent achievements in art; to splendid outbursts of ecstatic song; to a fine humanistic scholarship; to a new pursuit of science; to an unprecedented activity in invention and discovery. But they had the defects of their noble qualities. Men who become free are liable to become fools, especially when they have snatched their freedom prematurely from unwilling guardians who have kept them in tutelage too long. Hence the men of the Renaissance and the Reformation—unaccustomed to liberty, unacquainted with the ways of thought, unused to responsibility in action—on the one hand, talked a prodigious lot of nonsense, and on the other hand, did a vast number of most reprehensible deeds. But—and this is the point to be particularly noted here—whatever they said and all they did were manifestations of their insurgent individualism. They were hinds let loose. It was wild individualism that led some of them—as it leads many of our modern rebels—to talk incipient socialism, and caused others of them to attempt communistic experiments. The socialism and the communism of the early modern period were of the acquisitive and antinomian type—exemplified to-day in Russia—whose motto was, "What is yours is mine; but what is mine is my own." They were in essence the products of the same appetites and passions as manifested themselves on the high seas in piracy, and everywhere in profligacy. They were the fruits of diseased minds, defective education, and depraved morals.

### § 1. Communistic Experiments

The communistic experiments of the age of the Renaissance and the Reformation need not detain us long. Are they not described at length by Karl Kautsky in his *Vorläufer des neueren Sozialismus* (1895 and 1909) and by Herbert Schönebaum in his *Kommunismus im Reformationszeitalter* (1919)? The most significant examples were provided by Thomas Münzer at Mühlhausen in Thuringia (1525), and by John of Leyden and the Anabaptists at Münster (1534-35). Thomas Münzer, having secured control of the government of Mühlhausen, and having "socialised" the property of the well-to-do in the town, sallied forth at the head of the gang of frenzied zealots to devastate and despoil the vicinage, crying: "It is impossible to speak to you of God, so long as a noble or a priest remains upon earth." His mad career of depredation and murder had to be terminated by defeat in battle and by execution as a common felon. John of Leyden had a slightly longer run. He established himself as leader of the Anabaptists, who in February, 1534, had taken possession of Münster, expelling its prince-bishop and assuming control of the city. He and his followers destroyed churches, burned images and relics, put opponents to death, plundered private houses, declaring community of goods and polygamy to be fundamental institutions of the new order. Finally, John of Leyden, after having for a short time shared power and plunder with twelve "judges of the people," proclaimed himself, and crowned himself, autocratic "King of Zion." For a few months he was permitted to exercise over the prostrate city a gross and profligate tyranny. In June, 1535, however,

his reign was brought to an end by the recapture of the city for its prince-bishop. In January, 1536, he was executed, leaving seventeen widows to mourn his loss, or rejoice at their deliverance, according to their temper and disposition.

## § 2. Utopian Theories

Far more attractive and immeasurably more interesting than these crude attempts at social revolution, engineered by ignorant and brutal fanatics, were the speculations of a communistic kind which which were a novel and conspicuous feature of the literature of the sixteenth and seventeenth centuries. Once again the restriction of our space and the limits of our purpose render it impossible for us to do justice to the richness and fascination of the theme. We can only refer students to two recent works where the matter is dealt with in satisfying detail. These are J. O. Hertzler's *History of Utopian Thought* (1923) and L. Mumford's *Story of Utopias* (1923). Mr. Hertzler summarises sixteen Utopias imagined during the two centuries under review; Mr. Mumford, who is fuller on the later centuries, treats of six. Those common to both lists are (1) Sir Thomas More's *Utopia* (1516)—the work which gave its title to the whole class of romances whereof it was the pioneer; (2) Johann Andreæ's *Christianopolis* (1619); (3) Sir Francis Bacon's *New Atlantis* (1627); and (4) Tomaso Campanella's *City of the Sun* (1637). We will briefly consider these four, and, although Mr. Mumford inexplicably omits it, we must add, because of its special importance to us, (5) Sir James Harrington's *Oceana* (1656). If we ask the preliminary question, Why did the social and political speculators of this early modern period express their

ideas in the form of romances ? the answer is probably that to do so in any other way was too perilous. The monarchs of the time of the Renaissance and the Reformation lived as dangerously as did Lenin in Russia or Mussolini in Italy at the dawn of the present period of transition. With all their caution, four of the five utopians whom we are now considering, for one cause or another, fell under the wrath of rulers, and found their way to prison, one of them—the first and greatest—terminating his imprisonment on the scaffold. Another reason, no doubt, for the adoption of the form of fiction as a vehicle for the inculcation of sociological ideas was the fact that the discovery of the New World, with its strange races of men and its novel civilisations, had quickened the imagination of the Old World, and caused it to see visions and dream dreams.

(1) Sir Thomas More has been called by Mr. Beer "one of the greatest figures in the history of communism."* He does not deserve that designation, since he expressly dissociates himself from the more extreme communistic opinions uttered in his utopian trialogue. Nevertheless, it must not be forgotten that, although he puts these opinions into the mouth of a fictitious character who has no head to lose, and although he in his own name repudiates them, they are all the same his utterances, having the shape given to them by his enquiring and eclectic mind. More's *Utopia*, as is well known, consists of the record of an imaginary conversation in an Antwerp garden between More himself (engaged on a government mission), Peter Giles (an eminent citizen of Antwerp), and Raphael Hythloday (a wandering Portuguese who had accompanied Amerigo Vespucci

* Beer, M., *History of British Socialism* (1919), vol. i., p. 32.

in his transatlantic voyages, and had made his solitary way to the hitherto unknown island of Utopia). Hythloday, in his description of the polity of Utopia, states the communist case; Giles is the conservative defender of things as they are in the Old World; More takes up the attitude of the liberal-minded social reformer—the Tudor Lloyd-George—midway between the reactionary and the revolutionary. The discussion falls into two sections. The subject of the first section is the condition of England, which Hythloday and More concur in considering bad: it is marked by severe conflict between rich and poor; by suffering and misery; by violence and crime; by brutal punishment and savage retaliation; by menace of revolution and civil war. It will be noted that this is the England of 1516, before even the first stir of protestantism had begun to add religious tumult to the social and political unrest. The second section of the discussion relates to the possible remedy for this evil condition of things. Giles, of course, thinks that nothing is needed save stronger government and more rigid enforcement of law. More argues the case for numerous reforms in civil and criminal law. Hythloday, however, fortified by his knowledge of the ideal polity of Utopia, declares that the root of all the trouble is the institution of private property, and advocates the establishment of a complete communistic system in which each paterfamilias shall draw, without money and without stint, all that he needs for the maintenance of his family. It is to be remarked, first, that Hythloday's visionary communism is Platonic in type, and that, like Plato's, it depends for the production of the goods which it so freely distributes upon communal slavery; secondly, that Hythloday

recognises that to convert England into a New Utopia would require a radical change in the English national character, if not in human nature itself; and, thirdly, that he admits that the maintenance and perpetuation of Utopia anywhere implies governmental control of population, and the regulation of both immigration and emigration—in other words, a very considerable diminution of that liberty in which Englishmen were wont to pride themselves.*

(2) Johann Valentin Andreæ, the author of *Christianopolis*, was a German Lutheran divine, a humanistic scholar, and a rosicrucian mystic. His description of the universal Christian republic is a protestant version of More's *Utopia*. The basis of the republic is religion: conformity to the reformed church is insisted upon, and regular attendance at public worship is compulsory. Education is almost as prominent as religion: natural history museums, scientific laboratories, technical workshops are provided upon a lavish scale; schools are universal, and are run as miniature self-governing corporations. The acquisitive instincts of man are assumed to be in subordination to the creative instincts. A communism of the guild-socialist type is instituted; life is lived in the open; needs are restricted; simplicity prevails; vice is absent; population is stable; all is calm and bright. "Our garden cities," says Mr. Mumford, "are but belated reproductions of Christianopolis." If one could examine the learned Lutheran, the awkward question to put to him

* In addition to Hertzler and Mumford, W. B. Guthrie, *Socialism before the French Revolution* (1907), pp. 54-129, may with advantage be consulted for a survey of the doctrines of More's *Utopia*.

would be, Whence come the goods—the churches, museums, laboratories, workshops, schools, houses, gardens, supplies of food and clothing—which exist in such lavish profusion? Since slavery, which is fundamental in More's Utopia, apparently does not exist in Christianopolis, who produces them? Is it enough to say that in a communistic society, even if attendance at church is compulsory, the creative instinct will so completely prevail over the acquisitive instinct that men will go on working (like fowls) without receiving the produce of their labours? It is precisely because they will not do so in any circumstances that Marx makes his curiously individualist attack upon capitalistic society, and utters his confident prophecy that capitalistic society will perish. And it is precisely because, in spite of Marx, capitalism does, as a matter of fact, more nearly than any other known system (whether slavery, serfdom, socialism, or communism) assure to each man the reward proportionate to his service that capitalism will survive all the assaults to which it may be subjected.

(3) Francis Bacon's *New Atlantis* is free from the communistic weakness. As Mr. Hertzler well says, the polity of Bacon's utopian state is "established, not upon a communism of wealth, but upon a communism of knowledge." To Bacon, science is the saviour of society. The central institution of the *New Atlantis* is the great technical college known as Solomon's House, and the most important men in the state are the heads of its various departments. Bacon, with characteristic wisdom, fixes his attention on the production of new wealth, rather than on the distribution of existing wealth. He recognises that the happiness of man depends largely upon his material circumstances, and that therefore the

way of increased happiness is the way of increased production. Science, he rightly perceives, holds out the prospect of almost limitless increase. Hence he considers that the social problem can be solved by the application of science to industry. This, so far as it goes, is common sense; and a momentary return to common sense from communism is very refreshing.

(4) Campanella's *City of the Sun* is a compound of Plato's *Republic*, More's *Utopia*, and mediæval catholicism. Campanella's ideal state is a city organised on the model of a monastery. It is governed autocratically by a philosopher-pope, entitled "Sol" or "The Sun," under whom serve three moral mandarins, embodied abstractions, named respectively Power, Wisdom, and Love. Labour is universal and compulsory, although restricted to four hours a day. The produce of labour is pooled, and is distributed by the magistrates on the principle "to each according to his needs." That the amount to be distributed will be small is envisaged by the fact that all the subjects of the Sun take the monastic vow of poverty and frugality. Not, however, of chastity. There is community of wives as well as of goods, the magistrates again exercising complete control of unions and maintaining a strict regulation, on eugenic lines, of population. Campanella, in framing his ideal state, truly and frankly recognises that communism necessarily entails, not only surrender of property and comfort, but also abandonment of both family and freedom.

(5) Harrington's *Oceana*—a long and dreary, although important work—is remarkable as a pioneer essay in the economic interpretation of history. It

was issued during the Cromwellian regime, and its purpose was to discover the principles on which a stable democratic republic could be established and perpetuated. Harrington's firmest political convictions were, first, a belief in the natural equality of men, coupled with a noble faith in the normal honesty and sanity of the commonalty; and, secondly, a belief that the only valid type of government was one based on the sovereignty of the people. In holding these convictions he did not, of course, go beyond scores of contemporary writers—*e.g.*, Lilburne and the Levellers. What was unusual in him was this: he held that no democratic state or republican government was enduringly possible in the presence of great economic inequalities. He saw the intimate connection between property and power. He therefore advocated — among many other devices for securing a balance in the constitution, and for avoiding a preponderance of any person or class of persons —" equal agrarian," that is a redistribution of land, and " equal rotation," that is a system under which, as in Periclean Athens, all should hold office in turn. There is, obviously, nothing definitely socialistic, still less communistic, in Harrington's *Oceana*. Harrington was a democrat, to whom individual liberty was everything, and any sort of dictatorship anathema. The only socialistic elements in his scheme were his search for equality, and his emphasis upon the necessary economic basis of equality.

Harrington lived during a period (1611–67), which, in England particularly, was amazingly rich in political and social ideas. The struggles between king and parliament; the triangular conflicts between episcopacy, presbyterianism, and congregationalism; the confused wars between town and country, middle

class and aristocracy, yeomen and labourers—expressed themselves in a voluminous literature of infinite variety. It is hardly too much to say that in the twenty or more thousands of the pamphlets of the period which the British Museum possesses, every important revolutionary idea which has been propounded during the whole of the subsequent three centuries in any country of the world found some sort of utterance. Specially noteworthy among the preachers of strange doctrines are (1) John Hare, who in three pamphlets (1647–48) exalted the law of nature, denounced the Norman conquest, and demanded the restoration of the land of England to the Anglo-Saxons; (2) Peter Chamberlen, who in his *Poor Man's Advocate* (1649) proclaimed the dogma that labour is the source of wealth, and urged that the estates of the recently executed king, and of the prostrate and helpless clergy, should be nationalised, that is confiscated, for the benefit of the poor; and, above all, (3) William Everard and Gerard Winstanley, who not only formulated a complete communistic scheme in their writings, but, at the head of a company of "Diggers," strove to realise it in 1649 on St. George's Hill in Surrey. Of their numerous works the most important is Winstanley's *Law of Freedom* (1652), which advocates community of property, compulsory labour, prohibition of commerce, and distribution of commodities according to needs.*

* For fuller accounts of these communistic thinkers of the Puritan Revolution see Gooch, G. P., *English Democratic Ideas in the Seventeenth Century* (second edition, 1927), pp. 175-191; and Beer, M., *History of British Socialism*, vol. i. (1919), pp. 58-77.

## § 3. Anticipations of Socialism—Locke, Rousseau, Morelly, Mably

The Puritan revolution in seventeenth-century England was the first of four revolutions which together transformed the face of the modern world. The other three were the American revolution, the French revolution, and the so-called Industrial revolution. They were, all of them, intensely individualistic movements—manifestations of the renaissant and liberated spirit of man—revolts against communal authority, emancipations from antiquated political fetters, escapes from obsolete social controls and restrictive economic methods. In some degree or other, all three had their source in the English Puritan revolution—that *fons et origo* of nearly everything that lives and moves in the world of present-day politics. Between them they covered, and rather more than covered, the whole course of the eighteenth century. They gave to that century its dominant note, which was the individualistic note of natural rights, natural law, natural liberty, natural equality. The American revolutionists demanded natural liberty in the political sphere; the French revolutionists rose on behalf of natural equality in the social sphere; the thinkers of the Industrial revolution, led by Adam Smith, urged the removal of the conventional restrictions which hampered natural freedom in the economic sphere. The eighteenth century was, indeed, the age of the cult of nature. Its typical theologians were deists who evolved by the light of nature a natural religion; the masterpiece of its leading Christian apologist was *The Analogy of Religion to the Constitution and Course of Nature*; the first work of its greatest English

political thinker was an ironical *Vindication of Natural Society*; its economists were physiocrats; its jurists elaborated a lofty *Naturrecht*; its men of science were natural philosophers; its reformers advocated a return to nature as to a lost paradise; the outstanding figures of its fiction were Robinson Crusoe and Man Friday.

The pioneer and most representative philosopher of this individualistic age was, of course, John Locke. He started his constructive treatise on government with a description of the state of nature; he made natural law—the dictates of right reason supported by the sanction of the individual conscience—the ultimate criterion of all valid authority; he maintained that the purpose and end of government was the defence of the eternal and inalienable natural rights of every man to life, liberty, and property; he contended that any violation on the part of a ruler of these primary natural rights of the individual involved a breach of the original contract made between governor and governed, and justified rebellion. It would be difficult to conceive, and impossible to find, any more completely mechanistic, conventional, and anti-socialistic conception of the state than that set forth by Locke. And yet in the very heart of Locke's individualism there lurked two (erroneous) doctrines which tended strongly towards the generation of socialism. On the one hand, Locke denied the Cartesian dogma of innate ideas, holding that at birth the mind of everyone is a *tabula rasa*, or white paper, wholly free from any characters. All knowledge, he contended, was derived from experience. Here was a philosophic basis for the socialistic dogma of equality, and a commanding position from which to defend the

socialistic assertion that environment is the all-important determinant of destiny. On the other hand, in maintaining the natural right of the individual to the possession of private property—that is, a right to the possession of private property older than, independent of, and superior to, any right conferred by civil law — Locke (who lacked knowledge of jurisprudence) advanced the argument that it is *labour* which confers value upon the products of nature and justifies their appropriation by the labourer. "Though the earth and all inferior creatures be common to all men, yet every man has a property in his own person. This nobody has any right to but himself. The labour of his body and the work of his hands, we say, are properly his. Whatsoever, then, he removes out of the state that nature hath provided and left it in, he hath mixed his labour with it, and joined to it something that is his own, and thereby makes it his property." Again, in the primitive state of innocence: "He that so employed his pains about any of the spontaneous products of nature as any way to alter them from the state nature put them in, by placing any of his labour on them, did thereby acquire a propriety in them . . . for it is labour indeed that puts the difference of value on anything. . . . Thus labour, in the beginning, gave a right of property, wherever anyone was pleased to employ it, upon what was common."* Here was the economic phantasy—which the most rudimentary acquaintance with Roman jurisprudence would have sufficed to dispel—that started that March hare, the "labour theory of value," whose prolific progeny, crossed with other wild illusions, is the whole mad literature of Marxian communism

* Locke, J., *Treatises on Civil Government*, Book II., chapter v.

All that I will say concerning the "labour theory of value" at this point is this—viz., that, as it was originally, so it always remained, and so it still is, an essentially individualistic theory. It assigns to each individual the amount which, as the product of his personal labour, he can legitimately claim as his own. It is, in strict logic, entirely incompatible with either of the communistic principles of distribution—either equal partition, or apportionment according to need.

Locke's greatest disciple in the realm of sociology, was, without question, Jean Jacques Rousseau. He, like Locke, was dominated by the passion for personal liberty. Like Locke, too, he believed that in the primitive state of nature all men were free and equal. His conception of that idyllic state of nature was, indeed, even more roseate than Locke's. In his first notable work, viz., his famous *Discourse on the Origin of Inequality* (1754), he gave a fascinating description of the noble savage, as he conceived him—vigorous, agile, healthy, happy, innocent, peaceful, untroubled by speculation, unfettered by any social bonds—living freely on the bounty of nature, wild in his native woods. If only man could return to this primeval paradise, how blessed would he be! To those who are bold enough to shake off the shackles of civilisation he cries: "Resume your ancient and primitive innocence; retire to the woods." He admits, however, with profound regret, that he is not among the stalwarts, many or few, who are courageous enough to return to the pristine felicity of the state of nature. "As for men like me," he sadly confesses, "whose passions have destroyed their original simplicity; who can no longer subsist on plants or acorns, or live without laws and

magistrates"—well, they must make the best of a bad job; they must try to become as uncivilised as possible; they must seek within the limits of organised society to recover as much as may be of their primitive anarchic freedom.

The working out of this compromise—the reconciliation of savagery and civilisation; liberty and authority; freedom and organisation; the individual and society; man and the state—that is the problem tackled by Rousseau in his greatest book, *The Social Contract*. He states the question with admirable clarity at the beginning of his sixth chapter: "The problem is to find a form of association which will defend and protect with the whole common force the person and goods of each associate, and in which each, while uniting himself with all, may still obey himself alone, and remain as free as before." We are not now concerned with Rousseau's attempt to solve this perennial problem of politics—viz., his attempt to make the omelette of the state without breaking the egg of individual freedom, by means of the device of establishing the sovereignty of the people on the basis of a social compact: that belongs to the history of democracy, rather than to the history of socialism. We must fix our attention on the word "goods" in the passage just quoted. There were no "goods" in the state of nature. And until "goods," that is private property, came into existence there was, in Rousseau's view, no need of defence or protection, or indeed of any sort of state, or government, or community at all. The decline from nature into civilisation; from innocence into vice; from freedom into bondage; from happiness into misery; from health into sickness; from equality into inequality; from solitude into society—came with

the institution of private property. "The first man," he says, "who, having enclosed a piece of ground, bethought himself of saying *This is mine*, and found people simple enough to believe him, was the real founder of civil society. From how many crimes, wars and murders, from how many horrors and misfortunes, might not any one have saved mankind, by pulling up the stakes or filling up the ditch, and crying to his fellows: 'Beware of listening to this impostor; you are undone if you once forget that the fruits of the earth belong to us all, and the earth itself to nobody.'"* Rousseau does not himself propose the abolition of private property. He holds that the deed once done cannot be undone; that human nature once corrupted cannot be redeemed; that civil society once established cannot be swept away. The prime concern, indeed, of the sovereign people is, in his scheme, the defence and protection of "the person and goods of each associate." Nevertheless, Rousseau's glowing description of the (wholly imaginary) felicity of the propertyless state of nature in which liberty, equality, and fraternity prevailed, combined with his fierce denunciation of the (wholly imaginary) first appropriators of the common land as the initiators of inequality, lent a powerful impetus to the communist cause. Janet, indeed, goes so far as to say that Rousseau is incontestably the founder of modern communism, because he generated that hatred of inequality and of property from which communism has derived its force.†

* Rousseau, *Discourse on the Origin of Inequality*, Part II.

† Janet, P., *Les Origines du Socialisme Contemporain* (1883), p. 119. *Cf.* also Hillquit, M., *Socialism in Theory and in Practice* (1909), p. 322.

Rousseau's works, written with inimitable literary grace and adorned with a marvellous wealth of imagery, had a prodigious vogue in the second half of the eighteenth century, and exercised a profound influence upon the course of politics. The entire absence of any historic basis for his representation of primitive society troubled neither Rousseau himself nor his readers. "Let us begin," he frankly said in opening his *Discourse*, "by laying facts aside, as they do not affect the question." Both Rousseau and his readers were concerned with the future rather than with the past: an ideal of liberty, equality, and fraternity displayed itself before them which they were eager to attain.

Liberty, equality, and fraternity, indeed, became the watchwords of the generation which prepared and precipitated the French Revolution. Now this trinity of revolutionary essences is by no means a unity of co-equals. "Fraternity" is wholly subordinate to the other two, quite inoperative and negligible. To a revolutionist "fraternity" is, to begin with, strictly limited to the members of a single sect: "Become my brother or I will slay you" is the slogan. Further, even within the sect, it is largely a matter of perspective. 'Tis distance lends enchantment to the view. Brothers when they come too near are apt to reveal themselves as blacklegs; comrades as conspirators; proletarians as *petit bourgeois*; revolutionaries as reactionaries; allies as rivals; friends as foes. Hence fraternal conferences usually become bear gardens in which mutual recriminations reach a pitch of ferocity that can be appeased only by the guillotine or the shooting-party. "Liberty" and "equality," on the other hand, are not inoperative and negligible principles. Each is potent and

masterful. But they are, as we have already remarked, natural and irreconcilable antagonists. Men who are free are not, and can never become, equal. If men are equal, it can only be because they are not free. Rousseau strove to combine these incompatibles into a single harmonious polity in which an organic community of equals ruled by a sovereign general will should also be a voluntary association of the free. The thing could not be done. When Rousseau said, "Whoever refuses to obey the general will shall be compelled to do so by the whole body," and when he contended that "this means nothing less than that he will be forced to be free," sane thinkers perceived that he was dealing with a dilemma which he was incapable of resolving.* Thus it came to pass that Rousseau gave rise to two separate and antagonistic streams of political and social tendency. His passionate devotion to liberty; his exaltation of the primitive independence of the noble savage; his determination to obey no one but himself—was the source from which sprang the liberalism of Kant, the intransigeance of Thomas Paine, the amiable anarchism of Godwin, and nineteenth-century individualism generally. On the other hand, his passionate devotion to equality; his keen sense of community; his profound belief in the organic nature of society; his emphasis on the reality and ascendancy of the general will—all this was the source from which sprang the nationalism of Fichte, the *étatisme* of Hegel, and the communism of Karl Marx. Rousseau, in short, was an amazing anomaly; a man endowed with that type of genius which is a form of insanity; a thinker who because of defective training and inadequate powers of concentration was able to

* Rousseau, *Social Contract* (1762), chapter vii.

hold at one and the same time radically incompatible beliefs; but none the less a seer and a prophet and a marvellous inspirer of men.

Contemporary with Rousseau, but perhaps too early to have been influenced by him, was Morelly, author of the utopian *Code de la Nature, ou le Véritable Esprit de ses Lois* (1755).* The title of the book suggests the writer's acquaintance with the great work of Montesquieu; but its contents indicate rather the inspiration of More and Campanella. The *Code de la Nature* is, indeed, a crudely communistic compilation. Janet justly describes it—in terms that might appropriately be applied to the generality of socialistic literature—as setting forth " un socialisme sans lumière et sans culture, issu des réflexions les plus élémentaires sur l'ordre social, sans aucun soupçon de la complexité et de la difficulté des questions."† Morelly contends that according to the laws of nature—which seem to be identical with the figments of his imagination—all men are equal, and all things are common property. Hence human inequalities and private property imply violations of the laws of nature which should be prevented and redressed. The necessary return to the natural and proper condition of society can be, and should be, effected, in his opinion, by (1) a restoration of communal ownership; (2) compulsory labour for all,

* Morelly had written two years earlier (1753) a prose poem, entitled *The Basiliade or the Floating Islands*, in which the same views were set forth, although less systematically. The doctrines of this book—especially those relating to free-love—had been severely attacked. The *Code de la Nature* was a reasoned defence of them, combined with some modification of such as had given peculiar offence.

† Janet, P., *Les Origines du Socialisme Contemporain* (1883), p. 128.

from the age of twenty to the age of twenty-five, at agriculture; and (3) distribution of the product of the common toil by the communal authority according to the needs of each member of the community. He further adds many fantastic details concerning the constitution and government of his communistic society. He envisages a state from which individual liberty has been entirely eliminated: "Every citizen should be regarded as a public person, supported and maintained at the public expense."

Morelly's *Code de la Nature* was published seven years before Rousseau's *Contrat Social*, and if Rousseau was acquainted with Morelly's merciless communism and ruthless collectivism, we can understand the passion which he put into his plea that the enforcement of equality should be somehow reconciled with the retention of freedom in spheres other than the solitary one in which Morelly recognised it —viz., that of love. Rousseau and Morelly were, indeed, alien from one another; Rousseau's supreme good was liberty, Morelly's equality; Morelly would establish communism at once and completely by a violent revolution; Rousseau regarded it as a lost perfection which could not be recovered.

A third French writer of the period, the Abbé Gabriel Mably (1709-85), an ardent admirer of both Rousseau and Morelly, strove, in his *Législation ou Principes des Lois* (1776), to formulate a scheme whereby the ultimate communism of Morelly could be attained without that flagrant violation of Rousseau's "general will," which the direct action of a conscious communistic minority would involve. Gradualness was, of course, the way of compromise. Education, experiment, slow encroachment, such were the means indicated for the elimination of

private property and the realisation of the communistic commonwealth. He advocated progressive taxation; restriction on rights of inheritance; agrarian laws; sumptuary laws; equalisation of wages and salaries—most of the devices, in short, by which evolutionary socialists of all times have sought "to legislate unsuccessful men into success by legislating successful men out of it."

# CHAPTER VI

## THE GENESIS OF MODERN SOCIALISM

"In any enquiry the best way to obtain a clear view is to start from the beginning and observe the course of events."—ARISTOTLE.

### I. FRANCE

### § 1. EARLY EQUALITARIANS: VAIRASSE, FÉNELON, MESLIER, BRISSOT

THE French revolution of 1789, as has already been remarked, was an intensely individualistic movement.* As such it has been sharply distinguished from the Russian revolution of October, 1917, which was a communistic movement. The distinction is sound but superficial. There is a genuine difference in form between the *Declaration of the Rights of Man* and the *Communist Manifesto*. But it is merely a difference in camouflage. Both the one and the other conceal rather than reveal the motive power behind the idealism of two revolutions, which was one and the same—viz., the hunger of the peasantry for land, the desire of the demoralised for doles, and the passion of the criminal for loot. It is the comedy of that ghastly tragedy, the Russian revolution, that,

* This point is strongly emphasised by Janet, P., *Origines du Socialisme Contemporain* (1883), pp. v. and 68: "Le socialisme pendant le révolution française," he says, "n'a existé qu'à l'état diffus et comme on dirait aujourd'hui sporadique." The Revolution, so far was it from socialism, "a établi et voulu établir sur les bases les plus solides et les plus fortes le principe de la propriété individuelle."

although cruelly communistic, its prime consequence in the economic sphere has been the establishment of an incalculably larger number of private landowners than were ever known under the individualistic regime of the tsars. The Russian revolution was in effect little more than an orgy of plunder carried through in a leisurely and systematic manner, with merciless completeness and cynical disregard of all ethical principles, under a dictatorship of the criminal classes. Its communism was simply a screen of Marxian verbiage which barely veiled the naked hideousness of predatory individualism—the perverted and anti-social individualism of the burglar and the assassin.

On the other hand, the French revolution was frankly individualistic from the first. Prominent among the natural and inalienable rights of man which it proclaimed was the right of private property. Nevertheless, just because it emphasised equality rather than liberty, it tended steadily towards socialism and communism. For, as we have already observed, while liberty is the active principle of individualism, equality is the active principle of socialism and communism. "The French," says M. Gustave le Bon, "in common with the other Latin peoples, have always shown themselves much in love with equality, extremely jealous of all superiority, but indifferent to liberty."* We have noted how even Rousseau, with his Genevese passion for liberty, was diverted by the Academy of Dijon to the writing of a prize-essay on "the origin of inequality," and how henceforth he strove to reconcile the two antagonistic principles of individualism and socialism.

* Le Bon, G., *The Psychology of Socialism* (English Translation, 1899), p. 129.

We have noted, too, how both Morelly and Mably, with an utter disregard of personal freedom, advocated the reduction of all men to economic and political equality under the iron hand of the state. Private property should be abolished, said Morelly; all should be compelled to work; the state should be the sole employer, and by the state should distribution be controlled. Men are born equal, argued Mably; inequalities are due to fortune; the state must redress these inequalities and reduce all men to a dead level.

This same socialistic passion for equality and contempt for liberty is seen in rudimentary form in other French writers on social questions during the century preceding the revolution. In 1675, for instance, Denis Vairasse published his utopian *Histoire des Sevarambes*, in which he depicted an ideal commonwealth free from all distinctions of rank, devoid of private property, organised communally, and maintained by a system of compulsory labour indistinguishable from slavery. Twenty-three years later appeared Fénelon's notable *Télémaque*, wherein he, too, delineated the perfect state of his dreams. His Salente differs widely from Vairasse's Sevarambia: it is a holy city based on religion and ruled by priests; but it is a city in which sacerdotal discipline reduces all men alike to equality and servitude. In or about 1733 died at Etrépigny in the Ardennes a certain Jean Meslier, who for some forty years had been priest of the village. After his death it was found that he had left a most amazing work—*Le Testament du Curé Meslier*—in which he revealed the fact that he all along had been an atheist with an intense contempt and hatred for the religion which he had professed; a communist with a loathing for the economic order in which he had lived; a revolu-

tionary with a passionate desire to level social inequalities and institute obligatory labour for all under the authority of natural law.* Finally, in 1780, Brissot de Warville, an extreme equalitarian and later a leader of the Girondists, anticipated Proudhon by exclaiming, "Propriété c'est le vol," and contended further (as Proudhon did not) that all things belong to the state, and that the state should determine for every citizen what he should be compelled to produce, what he should be allowed to consume, how many children he should have, how he should educate them, and even what he himself should do, speak, and think. A more complete negation of individual freedom could hardly be conceived: it can be paralleled only in Maeterlinck's *Life of the Bee.*†

## § 2. Revolutionary Pioneers: the Jacobins and Babeuf

Thus we observe that when the French revolution broke out there was a good deal of communism in the air. Hence the pale cast of the individualism of the advocates of the rights of man soon became tinged with the red glow of predatory passion. When political equality had been attained—when the aristocracy had been exterminated, the monarchy abolished, and the church disestablished—the cry was raised that social equality could not be regarded as achieved so long as inequalities of private property were allowed to endure. Chaumette raised it: "We have

* Meslier's *Testament*, although known to and used by both Voltaire and Holbach, was not published in full until 1864, when an edition in three volumes was printed at Amsterdam.

† *Cf.* Brissot de Warville, *Recherches philosophiques sur le droit de propriété et le vol* (1780).

destroyed," he said, "the nobles and the Capets, there remains still an aristocracy to overturn—viz., that of the rich." Tallien echoed it, demanding that in the interests of "an equality full and complete" all proprietors, whom he denounced as public robbers, should be sent "to the bottom of the dungeons." The cry of economic equality, or plunder for the proletariat, was taken up by Marie Joseph Chalier, Anacharsis Clootz, Claude Fauchet, Jean Paul Marat, Antoine Saint-Just, and by the Jacobins generally.* In 1794, too, Pierre d'Olivier published his *Essai sur la Justice Primitive*, in which he demanded the equal distribution of all large estates among the peasants.

It was reserved, however, for Babeuf—who abandoned his Christian names of François Noël and assumed the illuminated substitutes "Caius Gracchus"—to expound and attempt to apply the full communistic scheme, derived from Morelly, of enforced equality, confiscated property, exterminated opponents, and suppressed liberty. After the overthrow of Robespierre in 1794, in *Le Tribun du Peuple* (which has been described as "the first socialist newspaper ever published"), he proclaimed the class war in its extremest form, and advocated a general massacre of the "possessing classes." He demanded the complete suppression of private property and the establishment of community of goods, which should be administered by the state on the principle of "to each according to his needs." He declared for the abolition of all inequalities, going

* Specially noteworthy is Saint-Just's book entitled *Institutions Républicaines* (1791), which sketched a utopia based partly on the institutions of Sparta, and partly on the visionary writings of Plato, More, Campanella, Fénelon, and Morelly.

even so far as to say that all must be dressed alike, all must eat the same quantity of the same kind of food, and all must be educated alike so that none may know more than another. He announced the coming compulsion of work for all, to be organised by the state, without any respect of persons. In one particular he was superior to most other communists: he recognised that the population problem lay at the root of the social question. The state cannot undertake to provide work for all and food for all unless it can control numbers. Since it cannot control births, it must regulate population by means of deaths; it must ruthlessly exterminate the superfluous, as do the bees: let the landlords first, and then the redundant proletariat, be put out of the way for their country's good.*

In 1796 Babeuf organised his "conspiracy of equals" in order to realise his communistic ideal. "Go, my friends," he cried in *Le Tribun du Peuple*, "disturb, overthrow, and upset the society which does not suit you. Take everywhere all that you like. Superfluity belongs by right to him who has nothing. Butcher without mercy tyrants, patricians, the gilded myriad, all those immoral beings who would oppose your common happiness. You are the people, the true people, the only people worthy to enjoy the good things of this world." The secret plans—which

* Janet, P., *Origines du Socialisme Contemporain* (1883), p. 143 *sq.*, gives a sketch of Babeuf's "système de dépopulation." Babeuf approved of the September massacres, maintaining that the assassins were "les prêtres d'une juste immolation"; he defended the "guillotinades, foudroyades, et noyades" of the Convention; and he contended that, for the future, all proprietors having been slain, "il fallait sacrifier les sansculottes en assez grand nombre pour que les autres pussent jouir en toute sécurité."

included the winning over of the army and the police —for the carrying out of this typically communistic design, wholly inspired by greed combined with envy and hate, were betrayed to the Directory. Babeuf and the other leaders were arrested and, after an investigation which lasted for nearly a year, were, for their country's good, put out of the way as superfluous proletarians (May, 1797). On Babeuf, when he was taken, was found a so-called *Manifesto of the Equals*, which had been intended to serve as a proclamation of the new communistic regime. "We mean henceforth," it said, "to live and die equal as we were born. We wish for real equality or death; that is what we must have. And we will have this real equality, no matter at what price. Woe to those who interpose themselves between it and us! . . . People of France, open your hearts to the plenitude of happiness. Recognise and proclaim with us the Republic of the Equals."*

## § 3. A Reactionary Interval; Recrudescence of Socialism; Sismondi

By the year 1796, in fact, thanks to the guillotine, the people of France had got as much equality as they desired for the time being. They were not attracted by the prospect which Babeuf held out to them of another orgy of massacre and confiscation. Above all, the peasants had got their lands, and they were anxious to be allowed to develop them, as private

* A good summary of Babeuf's conspiracy is given by Janet, *op. cit.*, pp. 152-156, where references are made to the fuller accounts of Filippo Buonarroti (one of Babeuf's associates who survived to carry on his propaganda till 1837) and Edouard Fleury.

properties, in peace. Hence the incipient Bolshevism of Babeuf made no appeal; Babeuf, when executed, was speedily forgotten; for twenty years France gave herself up to fruitful industry and absorbing war. At the end of that period, however, the immense drainage of men and money caused by the demands of Napoleon for his remote campaigns, the strangulation of commerce due to Britain's command of the sea, the overthrow of the French empire, the occupation of France by hostile armies, and the imposition of heavy indemnities—all these things inaugurated an age of disillusionment, destitution, and distress in which modern socialism had its rise. Socialism, indeed, is a disease which flourishes only in times of adversity and unrest. It perishes naturally in seasons of sanity and success. Its more determined and remorseless advocates, recognising this fact, even go so far as artificially to foster misery, in order that they may extend its ravages and hasten the sanguinary revolution in which it is to culminate.

The painful period, then, which followed the close of the Napoleonic wars saw the genesis of modern socialism in France. It is as impossible within the limits of our space as it is unnecessary by reason of the numerous authorities on the theme to describe the distressing features of that unrestful age. Suffice it to say that the proletariat—the very class on whose behalf the revolution of 1789 had nominally been precipitated—found themselves in many respects worse off than they had been under the old regime. Hence they lent a ready ear to any who were prepared to propound new explanations of their miseries (provided they did not suggest that they were in any way due to their own faults), and to propose new

remedies (provided they were to be supplied by other people and not by themselves).

Among the pioneers of the new socialism, although not himself a socialist, was the Genevese economist and historian, J. C. L. de Sismondi, who, in his *Nouveaux Principes d'Economie Politique* (1819), expounded doctrines respecting capital and labour, competition and exploitation, wealth and surplus value, strikingly similar to those later put forward by Karl Marx.*

### § 4. Saint-Simon and his School

The first genuine French socialist of the new school, however, was Claude Henri de Rouvroy, Comte de Saint-Simon (1760-1825). This amiable, accomplished, and attractive nobleman, having lost two fortunes—one through the chances of the French revolution, the other through sheer extravagance and mismanagement—turned his thoughts in his old age, when he was entirely dependent on charity, to the reconstitution of humanity. It is curious, one may remark in passing, how total failure to conduct one's own affairs successfully inclines the mind to the reconstruction of society. It is strange that complete incapacity to maintain a family seems so rarely to suggest a doubt to the bankrupt as to his ability to revolutionise the state, or even to reorganise mankind. The schemes which Saint-Simon set forth in his two magazines† and his three books‡ were fantastic in the extreme, and wholly impractic-

* For an excellent summary of Sismondi's views see Shadwell, A., *The Socialist Movement* (1925), vol. i., pp. 7-12.

† *L'Industrie* (1817) and *L'Organisateur* (1819).

‡ *Du Système Industriel* (1821); *Un Catéchisme Politique* (1822); and *Le Nouveau Christianisme* (1825).

able. Nevertheless, they were inspired by a fine spirit, and they were expounded in a style of chaotic eloquence which sparkled with happy phrases and original ideas. Saint-Simon was constructive, not destructive; he desired not war but peace; he was moved by love and not by hate; he was eager to give and not to get, to serve and not to suppress. His socialism aimed at comprehending all ranks and classes and not merely proletarians. No wonder, then, that Karl Marx despised and rejected it as bourgeois and utopian! All the same, the Saint-Simonian system is worthy of a moment's consideration: it displayed some novel and interesting features.

First, Saint-Simon started with a philosophy of history. Human affairs move in cycles, alternately constructive or synthetic and critical or destructive. The revolutionary era, 1789-1815, was a critical or destructive period. Hence the time for a new construction is come. Secondly, he conceived the antithesis between military and industrial society which Auguste Comte and Herbert Spencer developed so fruitfully. Industry is to be the basis of the new synthesis; peace will prevail in place of war; co-operation will supplant competition. The leaders of the new society will be the great industrial and financial magnates. Science will supersede politics. Philosophy will provide a new priesthood, which will administer a new Christianity freed from its superstitious elements and elevated to a pure spiritual brotherhood. Thirdly, "the whole of society ought to strive towards the amelioration of the moral and physical existence of the poorest class; and society ought to organise itself in the best way adapted for attaining this end." Finally, in order to accomplish this end, production should be controlled by the

new industrial state, and the resultant wealth distributed in proportion to services rendered. Such is the mild and philanthropic "socialism" of Saint-Simon. Its stress is on the first two elements only of full-blown socialism: it exalts the community above the individual, and it seeks the elevation of the poor. It is not equalitarian, however; it recognises differences in services and in rewards. Above all, it is almost wholly devoid of those economic elements which are the blight of socialism proper. It knows no conflict of interests between employer and employed. It makes the great capitalist business-manager—whom socialism proper denounces as an expensive excrescence—the very corner-stone of the new industrial society. Saint-Simon confidingly and confidently appealed to Louis XVIII. to assist him to realise his plans!

Saint-Simon left a school of disciples who, on the one hand, systematised and developed his doctrines, and, on the other hand, attempted to realise them in select communistic societies. Chief among the exponents of Saint-Simonism was Saint-Amand Bazard (1791-1832), whose lectures on the master's teaching (1829-1830) attracted much attention in Paris. He gave to Saint-Simonism not only more precision, but also a more definitely socialistic tinge. He advocated the abolition of inheritance, interest, and rent; the gradual transference of land and capital to the new communal authority; the ultimate elimination of private property; the compulsion of all to work. Chief among those who attempted to apply Saint-Simonian principles to the actual conduct of society was Barthélemy Enfantin (1796-1864), who emphasised the emotional and religious elements in his master's creed. Calling himself

"father," adopting a priestly costume, and claiming some sort of new messiahship, Enfantin gathered about him a body of disciples whose fellowship was marked by adoration of their leader, community of goods, cessation of productive labour, "rehabilitation of the flesh," and freedom of love. Having violently quarrelled with Bazard, and having brought ridicule and disgrace upon the Saint-Simonian cause, Enfantin in 1832 retired with his dupes to Ménilmontant, where he established a socialistic community which, after maintaining itself for a few years on the capital brought into it by its members, was disrupted by brawls, discredited by scandals, and dispersed by the police.*

### § 5. Fourier and his Phalanxes

The idea of small self-sufficing communities was also the leading conception of the second of the great pioneers of French socialism—viz., Charles Fourier (1772-1837). A remarkable, original, and entirely harmless ideologue, Charles Fourier, son of a Burgundian draper, having qualified for socialistic speculation by total failure in practical affairs, devoted his unemployed leisure to the reconstruction of society. His criticism of existing institutions was pungent and powerful, although unbalanced and perverse: it provided Marx with several of his ideas. He denounced the inefficiency and wastefulness of capitalist production; exposed the evils of competition and the depredations of needless middlemen; proclaimed the exploitation of the workers by the employers; predicted the increasing concentration

* For brief accounts of Saint-Simon and his school see Janet, P., *Saint-Simon et le Saint-Simonisme* (1878), and Beer, M., *Social Struggles and Thought*, 1750-1860 (1925).

of wealth in the hands of the few, and the growing poverty and misery of the many. His explanation of the defects of civilisation was to the effect that in commerce man had departed from the system of nature. He contrasted the harmony and order of the heavens with the chaos and discord of human community. On the one hand, the perfectly free play of natural forces produced the flawless balance of the universe. On the other hand, interference with the natural passions of man produced the confusion of the modern industrial world. What was the obvious remedy? It was, of course, to return to nature; to abolish the state and all law; to allow free play to "passional attractions" of all sorts; and to reconstitute humanity in small voluntary groups or "phalanxes" of some 1,500 persons in each. Fourier foresaw the day when the whole race of mankind would be reorganised in two-million self-sufficing "phalanxes," united in a world-wide federation under an Omniarch resident at Constantinople, assisted by three Augusti, twelve Cæsarinas, and twelve dozen Kaliphs; when the aurora borealis would be the main source of light and heat for the whole race; when lions would draw carts, and whales tow ships; when the sea would be converted into delicious lemonade; and when the hen—"the most precious of fowls and a truly cosmopolitan bird"—would produce enough eggs in six months to pay off the English national debt. In each "phalanx" all the inhabitants would live in one great building, of which Fourier provided the plan; all would work, because it is natural for men to work, but each would work how and when and at what he pleased; there would be no marriage, but "passional attraction" would be unrestrained. Each individual would re-

ceive sufficient for subsistence; any surplus product beyond what was required to provide that, would be divided in the proportions of five-twelfths to labour, four-twelfths to capital, and three-twelfths to talent.

There was much that was silly, but little that was socialistic, about Fourier's "phalanxes." Strange to say, however, Fourier's utopian idea "caught on" in America in the forties. Men so eminent as Albert Brisbane, Horace Greeley, Nathaniel Hawthorne, R. W. Emerson, and J. Russell Lowell, were for a time attracted by its promise of freedom and the simple life. More than three dozen attempts were made between 1840 and 1850 to establish Fourierist communities, the most important being the North-American Phalanx, 1843-54; the Brook Farm Phalanx, 1844-47; and the Wisconsin Phalanx, 1844-50. The average duration of the remainder was fifteen months. They all were wrecked upon the elements of human nature which Fourier ignored, and especially on man's natural disinclination to work except for himself and his family, his natural dislike to behold the passional attraction of other men for his women, and his natural irritation at being cooped up everlastingly in a barrack with scores of other lazy and demoralised cranks whom he regards with a passional repulsion.*

* Fourier's works were published in Paris in six volumes (1841-1846). The best exposition of Fourier's ideas is presented by his ablest disciple, Victor Considérant, in his *Destinée Sociale* (1837), a book from which Marx borrowed much of his criticism of the capitalist system. Summaries of Fourierism are given in many books—*e.g.*, Kaufmann, M., *Utopias* (1879), and Hertzler, J. O., *Utopian Thought* (1923). Accounts of the American experiments will be found in Noyes, J. H., *American Socialism* (1870), and Hillquit, M., *Socialism in the United States* (1903).

### § 6. Pecqueur, Proudhon, and Cabet.

Fourier was very far from being a fully developed socialist. True, he exalted community above the individual, and desired to equalise conditions. But, on the other hand, he recognised differences both of capacity and of reward; he admitted the services rendered to production by capitalists and assigned a large part of the product of industry to the payment of interest; he had no quarrel with private property, private enterprise, or competition. Much nearer to the socialist standard was Constantin Pecqueur (1801-1851), who has been called "the father of modern collectivism." Starting as a Saint-Simonian, he passed by way of Fourierism, to a position not far removed from that of Louis Blanc. In his *Théorie Nouvelle d'Economie Sociale* (1842) he raised anew the flag of equality; advocated the complete abolition of private property in the means of production, the extinction of individual enterprise, and the eradication of competition; urged the taking over by the state of the conduct of industry, and the distribution of wealth by the state on the basis of equal rewards to all of equal goodwill.*

Fourier had no use for the state; Pecqueur had no use for anything except the state. At the time when Pecqueur wrote, however, revolutionary opinion in France was against him, and on the side of Fourier. Reaction reigned supreme in the government of Guizot, and the state appeared to socialists to be the

* For Pecqueur's ideas see Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), pp. 37-46. Another thinker of the same school, but with differences, was the Belgian Baron de Colins (1783-1859), for whom see Laveleye, É. de, *Socialism of To-day* (English Translation, 1884), pp. 245-253.

irredeemable organ of capitalist exploitation. Pecqueur and his collectivism, then, remained obscure and insignificant. Immeasurably more influential and popular was the revolutionary anarchism of Pierre Joseph Proudhon (1809-1865). Born in the same town as Fourier—viz., Besançon—although in a humbler walk of life, Proudhon qualified for the rôle of a saviour of society, by conspicuous and repeated exhibitions of incapacity to earn a living for himself in the rôle of a business man. Quick in intelligence, interested in most things except his proper commercial concerns, he set to work by omnivorous reading to remedy the defects of his early education. His mind, however, was unbalanced and undisciplined, quite incapable of realising the limitations which lack of elementary knowledge placed upon it. Hence he studied, and thought he understood, subjects that were wholly beyond his grasp; in particular, the philosophy of Hegel, from the imperfect apprehension of which he never recovered. Among his natural gifts—as among those of Rousseau, whom in many respects he recalls—was the gift of vivacious writing. This enabled him to secure notoriety—as Rousseau had secured it ninety years earlier—by winning the prize in a public essay competition. Proudhon's prize essay was on the subject of property. He published it in 1840 under the title *Qu'est-ce que la Propriété?* (*What is Property?*), to which question he gave the concise answer, in the words used by Brissot in 1780, "La propriété c'est le vol" (Property is theft). He was apparently quite unaware that he had been anticipated in this absurd utterance; for he boasted—and let us hope that in general his boast is correct—that "not twice in a thousand years does one come

across a pronouncement like that." He dealt with his theme in a vivacious way, and much more effectively than Brissot had done, with the result that he acquired a high degree of popularity with the large class of the semi-criminal—that is, those whose criminal instincts have been debilitated by conscience—to whom theft is property, provided only they can persuade themselves that it is not theft. Proudhon, by demonstrating to their satisfaction that property is not properly property, convinced them that theft would not be really theft. No wonder that Marx hailed Proudhon as a communist and that, when they met in Paris in 1845, he took him to his heart. He was still more delighted when he found that he held the labour theory of value, denounced both interest and rent, and considered that the sole measure of value should be labour-time.

Marx, however, was speedily disillusioned with respect to Proudhon. He found that to Proudhon the labour theory of value remained, what it had been in its origin, an individualistic theory, pointing to unequal rewards proportionate to personal services. He found further that if Proudhon objected to private property, no less did he object to communal property. When, therefore, Proudhon, in his second important work—*La Philosophie de la Misère* (1846)—condemned communism, opposed the employment of revolutionary violence, and expressed a preference for Kant to Hegel—*i.e.*, for liberty to authority—Marx turned upon him with truly ferocious fury and demolished him in his savage tirade entitled *La Misère de la Philosophie* (1847). His criticism of communism had, indeed, been severe. His words are worth quoting, for they have not lost their point. "The disadvantages of communism,"

he said, "are so obvious that its critics have never needed to employ much eloquence to disgust men with it. The irreparability of the injustice which it causes, the violence which it does to attractions and repulsions, the yoke of iron which it fastens on the will, the moral torture to which it subjects the conscience, the debilitating effect which it has upon society, and—to sum it all up—the stupid uniformity which it enforces upon the free and active personality of man, have shocked common sense and condemned communism by an irreversible decree."*

Communism displayed itself to Proudhon as "the exploitation of the strong by the weak," and he objected to every kind of exploitation, and to all sorts of coercion. "Government of man by man in every form," he cried, "is oppression. The highest perfection of society is found in the union of order and anarchy." This principle of extreme individualism caused him to fall foul not only of Marx, but also of the utopian socialists of his day, and from no source did the phalansteries of Fourier and the other "duodecimo editions of the New Jerusalem" receive more devastating criticism.

Proudhon's hand, in fact, was against every man, and it is difficult to classify him. Perhaps the term "amiable but muddle-headed anarchist" describes him best, placing him, as it does, in the select group which includes Tolstoi and Kropotkin. If he was not a socialist, however, he prepared the way for socialism by his attack on property, and by his annihilating criticism of the utopians whose visionary paradises cumbered the proletarian path.

The utopian against whom Proudhon levelled his

* Proudhon, P. J., *Philosophy of Poverty* (American Translation by B. R. Tucker, 1873), p. 259.

most deadly shafts was not Fourier but a younger contemporary, Étienne Cabet (1788-1856) whose romance *Un Voyage en Icarie* (1839) enjoyed during the forties an enormous vogue in France. Cabet was one of those innocent and estimable persons—moving midway between genius and lunacy—whom the French describe by the word *détraqués*. He achieved in government office the failure in practical affairs which qualified him for communistic apostleship: he was for a brief and disastrous period Louis Philippe's attorney-general in Corsica. Dismissed in 1831, he returned to Paris, where his activities were such as to give him in 1834 a choice between two years in prison or five in exile. He chose exile, and came to London, where he met Robert Owen, and read Thomas More. The result was his complete conversion to utopian communism, in exposition and advocacy of which he wrote, and published on his return to France, his sketch of an ideal state as he conceived it. *Icaria* is a nightmare of equality and symmetry, uniformity and monotony, regimentation and slavery. The Icarian territory is divided into one hundred equal provinces, each subdivided into ten equal communes. In each province and commune the population is regulated and kept at the same level as in all the rest. All the citizens receive the same amount of the same food; all are provided with uniforms, which indicate their age, sex, and occupation; in order that differences in physical size may not engender economic inequalities, the uniforms are made all one size, but of an elastic material which expands as corpulence requires. There is no private property; occupation is determined by the state; each commune publishes a single newspaper, recording facts but without comment, and no private

journalism is permitted. Never has equality been more ruthlessly idolised than in *Icaria*; rarely has liberty been more entirely eliminated. Cabet is, indeed, simply Babeuf without blood.

It is strange that, even in the "hungry forties," so depressing an ergatocracy should have excited desire. Yet not only was Cabet himself eager to put his plans to the test; he found some hundreds of others (though not the forty thousand whom he expected) ready to join him. In 1847 he raised the cry "Allons en Icarie"; he secured a million acres on the Red River in Texas; and in 1848 off he and his comrades went. Within a year Texas was abandoned and a second attempt made at Nauvoo, a derelict Mormon settlement in Illinois. For eight years Nauvoo struggled on dismally, with growing poverty and dissension, until in 1856 an explosion took place which drove the disgusted and disillusioned Cabet into exile. He died, broken-hearted and destitute, in St. Louis before the end of the year. The ragged remnants of the Nauvoo *Icaria* founded two antagonistic colonies: one at Cheltenham near St. Louis, where the Cabet faction maintained a quarrelsome and poverty-stricken existence for eight years; the other at Corning in Iowa, where the violent anti-Cabet sect managed to struggle on in increasing squalor, until in 1895 they, too, became extinct.* The disastrous and unrelieved failure of the Icarian colonies illustrates and exemplifies the universal

* For Cabet see Kaufmann, M., *Utopias* (1879), pp. 123-142 and Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), pp. 137-145 and 195-197. Descriptions of the American Icarias are given in Nordhoff's *Communistic Societies in U.S.A.* (1875). When Nordhoff visited the Corning settlement, he found sixty-five persons existing there in "dreary poverty."

collapse of socialistic, communistic, and collectivist enterprises in the sphere of production. Except when they are able to draw continued and fresh supplies from resources provided by capitalism, competition, and individual enterprise, they invariably break down. Nor is the reason far to seek. By removing all effective stimulus to production, and by introducing some unjust principle of distribution—such as equal partition regardless of skill or effort — they give rise to a sense of indignation, outrage, and hatred which paralyses activity, reduces output to a minimum, and disrupts the society amid recriminations and violence.

### § 7. The Year of Revolution, 1848: Louis Blanc

The year which saw Cabet's voyage to Texas—1848, the *annus mirabilis* of the nineteenth century —saw an immense ferment of revolution in Europe. The causes of revolution were on the surface political: the French rose on behalf of democracy; the Italians on behalf of nationality; the Germans on behalf of both. But, behind the political pretexts, powerful economic forces displayed themselves. In France particularly, the passion for equality, which in 1789 had assailed the privileges of the aristocracy, now turned itself to attack the property of the bourgeoisie. Marx was now militant, and it was what he had learned in Paris from Proudhon and his associates that caused him in his *Communist Manifesto* (published February, 1848) to say, in an imaginary conversation with an astonished *bourgeois gentilhomme*, "You reproach us because we would abolish your property! Precisely so; that is our intention."

The possibility of realising this amiable and

attractive purpose seemed to present itself suddenly and unexpectedly to the French proletariat when, at the end of that very month of February, the government of Guizot and the monarchy of Louis Philippe crashed without premonitory sign, and left the derelict sovereign power to be picked up by a socialist party dominated by the ideas of Louis Blanc.

Louis Blanc (1811-1882)—son of a minor Bonapartist official who had been reduced to poverty by the fall of Napoleon—after failing to become a lawyer, and failing to succeed as a teacher, had drifted into journalism. In 1839 he contributed to the *Revue du Progrès*, which in the preceding year he had founded, a series of articles on social questions under the title *L'Organisation du Travail* (reissued in book form 1840). In this work he definitely dissociated himself from the utopianism of Saint-Simon and Fourier (Cabet's *Icaria* was not yet known) and reverted to the collectivism of Pecqueur—with a difference. He recognised the impossibility of any return to village communities and hand industry; accepted the results of the industrial revolution; and admitted the need for large employment of capital. But he contended that capital should not be in private hands, and he urged the eradication of a competition which bore so hardly on the unsuccessful. Hence he advocated the establishment of "social workshops" (*ateliers sociaux*)—half co-operative societies, half trade unions—financed by the state, which should take over the task of production and gradually eliminate private enterprise. The state should find occupation and wages for all. Every man, he said (echoing Morelly), should work according to his capacity, and should receive according to his need.

The prospect of receiving according to their limit-

less need or desire, and not according to the product of their limited capacity or output, immensely attracted the Parisian proletariat, with the consequence that in February, 1848, when France was without a stable government, they coerced the weak Lamartine and his provisional associates into setting up, under Louis Blanc's guidance, "national workshops" (*ateliers nationaux*) wherein guaranteed work and wages should be provided for all who might apply. The so-called "right to work," which the mob (echoing Louis Blanc) proclaimed, meant then, as it always means in practice, the right to receive pay without doing anything for it. The prospect of getting a franc and a half a day free, gratis, acted like a magnet, and drew to Paris the riff-raff of the whole country, including 20,000 deserters from the army, and 12,000 foreigners. The provisional government soon found itself with 120,000 paupers on its hands—a mob of wild revolutionaries, without capacity or desire for work, resolute only to increase the amount of the daily dole—"an army combined with a debating society." After vainly striving to cope with the appalling situation, it had to decide to close the misnamed and disastrous workshops. The result of the decision was a new attempt at revolution: for four days the streets of Paris were the scene of a ferocious and sanguinary conflict between the socialistic mob and the forces of solvency and order (June 23-26, 1848). When finally sanity prevailed and tranquillity was restored it was found that some 16,000 combatants had been killed or wounded.

Louis Blanc himself barely escaped from the catastrophe with his life. He finally succeeded, however, in making his way to London, where, in the

British Museum (among the frequenters of which he found Karl Marx), he devoted his literary skill to proving that the fiasco was not his fault, and that the *ateliers nationaux* were wholly different from the *ateliers sociaux* of his book. "The national workshops," he says in his *Revelations*, "were nothing more than a rabble of paupers whom it was necessary to feed from want of knowing how to employ them. As the kind of labour in these workshops was utterly unproductive and absurd, besides being such as the greater part of them were utterly unaccustomed to, the action of the state was simply squandering the public funds; its money a premium upon idleness; its wages alms in disguise."* How easy to be wise after the calamitous event! If only Louis Blanc had had sufficient common sense to see before he wrote his *Organisation du Travail* what would be the inevitable consequence of any attempt to put its principles into operation—that is, of any attempt to recognise in practice the fictitious "right to work"—what incalculable miseries might the unfortunate proletariat have escaped! The whole lamentable episode well illustrates one general truth respecting socialism which it is worth while to note. It is this: that *before* any socialistic experiment is tried nothing can exceed the confidence with which socialists predict the benefits that will accrue from it; that *when* it is tried it invariably breaks down; and that *after* it has collapsed in ignominious disaster, nothing can exceed the ingenuity with which socialists discover plausible explanations, other than its inherent unworkability, for its complete and ridiculous failure. Respecting 1848, suffice it to say that Louis

* Blanc, L., *Historical Revelations* (English Translation, 1858), p. 198.

Blanc did not succeed in divesting himself of responsibility for the unmitigated tragedy.*

## II. ENGLAND

### § 8. The Industrial Revolution

While, during that agitated third of a century which followed the pacification of Vienna, French revolutionaries were formulating equalitarian theories which tended towards communism, and were making communistic experiments which culminated in chaos, English ideologues were also speculating socialistically and experimenting co-operatively along rather different lines. The English have never been so much attracted by the idea of equality as have the French; they have had too lively a consciousness of their own superiority to the rest of mankind to advocate with effective zeal any process of levelling. The English passion has been rather for justice—often, indeed, for justice wrongly conceived, for justice in urgent need of a little elementary instruction in the principles of economics—yet, nevertheless, for justice, for the right of the individual to receive a due reward for his labour, his proper share of the product of industry. Again, while France remained primarily an agricultural country, so that her chief social and

* An excellent account of Louis Blanc and his schemes is given in Sir John Marriott's Introduction to the Clarendon Press edition (1913) of the *Organisation du Travail*. It should be noted that beside the *ateliers nationaux*, responsibility for which Louis Blanc repudiated, fifty-six true *ateliers sociaux* were founded on the approved model of the *Organisation du Travail*, with a government subsidy of 3,000,000 francs. Of the fifty-six, only thirty-eight survived to 1851; only twenty-six to 1852; only four to 1865; and only one to 1875. See Laveleye, É., *Socialism of To-day* (English Translation, 1884), p. 73, note.

economic problems related to the ownership and administration of land, England had passed through the industrial revolution, and the English had become a nation of artisans and shopkeepers. Hence the pioneers of English socialism were concerned, not with that "equal agrarian" which had seemed so important to Harrington in the seventeenth century, and to Spence in the eighteenth, and which even in the nineteenth century continued to seem so important across the Channel to men like Cabet; but rather with the distribution of the new wealth created by the new methods of manufacture, and with the supposed right of labour to receive the whole produce of industry.

With the industrial revolution itself we have no space to deal. It is a fascinating theme; but it is an immense one, and has it not been treated effectively in countless books, from the classic work of Arnold Toynbee, issued posthumously in 1884, to the recent studies by Professor Lilian Knowles, Miss M. C. Buer, and Dr. J. H. Clapham ?* Enough to say that the industrial revolution was a movement due to a succession of notable inventions† which gradually

* Knowles, L., *Industrial and Commercial Revolutions in Great Britain* (1920); Buer, M. C., *Health, Wealth, and Population*, 1760-1815 (1926); Clapham, J. H., *The Railway Age* (1926). A warning should be uttered against the many partial and perverted works which have been written concerning various aspects of the industrial revolution—*e.g.*, Engels, F., *Lage der arbeitenden Klasse in England* (1845); Marx, K., *Kapital* (1867); Hammond, J. L. and B., *The Village Labourer* (1911) and *The Town Labourer* (1917).

† Professor Ely, *Socialism* (1894), p. 50, specially emphasises (1) Kay's Flying Shuttle, 1738; (2) Watt's Steam Engine, 1769; (3) Arkwright's Water Frame, 1769; (4) Hargreaves's Spinning Jenny, 1770; (5) Crompton's Mule, 1779; (6) Cartwright's Power Loom, 1787; and (7) Whitney's Cotton Gin, 1793.

transformed England from a country dominantly agricultural to a country dominantly manufacturing; that in the main it was incalculably beneficial both to the English people and to mankind at large, increasing to a degree never known before the general standard of human comfort; but that, since it fundamentally changed the methods of production in many staple industries, it brought with it such temporary hardships to certain limited classes as inevitably accompany every social and economic transition. It led to the decay of home industries and to the extension of the factory system; to the decline of villages and the growth of towns; to the migration of population from the country to the coal-fields; to a loss of independence on the part of the workers and a growth of the power and importance of the capitalist employer; to an increase of insecurity of occupation and to a quickening of competition.

By an unhappy coincidence, moreover, this profoundly disturbing, though ultimately beneficent, industrial revolution occurred contemporaneously with two other events, each of first-rate magnitude and importance, which immeasurably aggravated and accentuated the difficulties of the transition. The first was the Revolutionary and Napoleonic war which raged, with one brief interval of truce, from 1793 to 1815. The second was a revolution in medical and sanitary science which, by lowering the death-rate and materially adding to the normal span of human life, led to an unprecedented and most embarrassing increase in the population of the country.*

* The population of England and Wales at the close of the Middle Ages was, if our calculations are approximately correct, round about 5,000,000; by the end of the seventeenth century it would appear to have risen some 7,000,000. The first census,

The concurrence of a far-reaching economic transformation, a profound constitutional upheaval due to a prolonged and prodigious war, and an unprecedented social transmutation caused by an unparalleled increase in population—to say nothing of changes in religious and political ideas—resulted in a condition of agitation and unrest exactly suited to the generation of socialism.

### § 9. Communism among Individualists

The eighteenth century had been, as we have already noted, an age predominantly individualistic. It had inherited, on the one hand, the intensely personal religion of the Puritans; and, on the other hand, the self-centred political philosophy of Locke, based on the natural rights of the isolated man. It had itself developed—through the influence of such thinkers as Hume, Helvétius, Paley, and Bentham—the utilitarian ethics which made individual pleasure the criterion of good. In economics, by way of reaction against the corruption and incompetence of the governments of the time, it had formulated the powerful and prevailing policy of *laissez-faire*. Nevertheless, this triumphant and universal individualism of the eighteenth century had itself contained the germs of socialistic theory. (1) John Locke himself, to begin with, had, as we have seen, taught a psychology which implied a doctrine of the natural equality of all men; he had emphasised the influence of environment; he had assumed an original commun-

1801, gave a return of nearly 9,000,000; the second, 1811, over 10,00,000; the third, 1821, almost exactly 12,000,000; the fourth, 1831, nearly 14,000,000; the fifth, 1841, all but 16,000,000; the sixth, 1851, close upon 18,000,000. The last census taken, 1921, gave approximately 38,000,000.

ism in land; and he had formulated a rudimentary labour theory of value which, though individualistic, readily lent itself to socialistic perversion. (2) The corrosive rationalism of David Hume had utterly consumed and eliminated both the doctrine of the natural rights of man and the doctrine of the contractual origin of the state, and so had prepared the way for that organic (and potentially socialistic) conception of the body politic which is implicit in the political philosophy of both Rousseau and Burke. (3) Adam Smith, greatest of all political economists and matchless champion of free enterprise, had committed himself in his *Wealth of Nations* to unguarded utterances respecting labour and value which were destined to provide Marx with an inexhaustible storehouse of raw material for the fabrication of communistic error.* (4) David Ricardo—described by Nassau Senior as "perhaps the most incorrect writer who ever attained philosophical eminence,"† and condemned by Professor Foxwell for "the far-reaching and disastrous consequences" of his inaccuracies‡—not only accepted and developed the labour theory of value, but supplemented it by an "iron law" of wages, and a residual theory of rent, which furnished effective weapons respectively for Lassalle in Germany and Henry George in America. Ricardo was himself a strong and convinced individualist, yet, as Professor Foxwell rightly says, "it was Ricardo's crude generalisa-

* They are mainly found in Book I., chapter v.—*e.g.*, "Labour is the real measure of the exchangeable value of all commodities." See discussion of the labour theory of value below, chap. vii., § 8.

† Senior, N., *Political Economy* (1850), p. 115.

‡ Introduction to Menger's *Right to the Whole Produce of Labour* (1899), p. xl.

tions which gave modern socialism its fancied scientific basis, and provoked its revolutionary form." "The more I study the literature of English socialism," he concludes, "the more I feel that which in it was really pregnant with great issues was due to Ricardo."* (5) Again, to mention another writer of immense popular influence, Thomas Paine was a keen individualist of the school of Rousseau, and with far less than Rousseau's consciousness of community or sense of a general will, yet even Thomas Paine in his *Agrarian Justice* (1797) proclaimed doctrines respecting the natural right of every man to a share in the land that compel us to regard him as a pioneer of the policy of expropriation.† Similarly, (6) William Godwin—although he was an individualist so extreme that in the interest of personal freedom he would abolish all governments, churches, marriage regulations, contracts, and laws—was also a pioneer of communism. For he would also abolish private property, as the most formidable of all restraints on freedom, and would allow everyone to help himself to everything according to his need. "To whom," he asks in his *Political Justice* (1793, Book VIII., chapter i.), "does any article of property justly belong? To him who most wants it, or to whom the possession of it will be most beneficial." Since this is merely the abolition of other people's private property, coupled with a free license to appropriate it yourself if you can persuade yourself that you want it very

* *Ibid.*, pp. xl. and lxxxiii.

† In order not to cause too much disturbance, Paine suggested as a compromise that everyone who had not got the parcel of land which was his by natural right should as compensation receive from a national fund £15 on attaining the age of twenty-one, and £10 a year for life on reaching the age of fifty.

badly, it makes a natural appeal to the natural pauper-criminal or communist.

### § 10. Early British Revolutionaries

But if thus in the writings of eighteenth-century individualists rudimentary socialistic and communistic principles can be discovered, there are to be found writers of the period in whose works rudimentary socialism or communism is the dominant element. They can merely be mentioned here. (1) John Bellers, a Quaker philanthropist, in his *College of Industry* (1696) formulated a scheme for co-operative colonies for the poor. (2) Thomas Spence of Newcastle, in a famous lecture on *The Real Rights of Man*, delivered before the Literary and Philosophical Society of that city in 1775, advocated the resumption of the land by the nation, and its repartition among the parishes for the common use. (3) More notable still was William Ogilvie, whose *Essay on the Right of Property in Land* (1781), conspicuous for scholarly style and flawless lucidity, struck the authentic communistic note in its opening sentence: "All right of property is founded either in occupancy or in labour. The earth having been given to mankind in common occupancy, each individual seems to have by nature a right to possess and cultivate an equal share."

### § 11. The Six Pioneers of English Socialism

These eighteenth-century speculators, it will be noted, all lived in the metaphysical fog of natural law, and were all concerned with the agrarian problems of a Britain still agricultural. Not till the dawn of the nineteenth century, when the combined

effects of the industrial revolution and the great wars were making themselves felt, and when utilitarianism had dispelled the "anarchical fallacies" of *Naturrecht*, did a socialism which primarily concerned itself with industry display its doctrines to the restless democracy. The six pioneers of English socialism, the true economic forerunners of Karl Marx—Charles Hall, Robert Owen, William Thompson, Thomas Hodgskin, John Gray, and Francis Bray—have been admirably treated by Dr. Menger, Miss Lowenthal, and Mr. Beer.* A very brief summary of their teachings must here suffice.†

(1) Charles Hall (*c.* 1745-*c.* 1825), a medical man who ended a benevolent but unprosperous life in a debtor's prison, signalised the transition from rural to urban England. He witnessed the industrial revolution, and he loathed it. In his one book—*Effects of Civilisation on the People* (1805)—he gave a vivid description of the deplorable condition of the poor in the new manufacturing centres; traced the causes of the country's woe to the decay of agriculture and the growth of luxury in towns; and suggested as a remedy the nationalisation of the land, its division into allotments (each of $3\frac{1}{2}$ acres with

* Menger, A., *The Right to the Whole Produce of Labour* (English Translation, ed. H. S. Foxwell, 1899); Lowenthal, E., *The Ricardian Socialists* (1911); Beer, M., *History of British Socialism*, vol. i. (1919).

† It may be noted that, except Hall and Owen, the six derived most of their statistical misinformation from Patrick Colquhoun's tables which were supposed to display *The Wealth and Resources of the British Empire* (1814). Another source of inspiration and ideas was a curious Tory-democratic dissertation entitled *A Few Doubts as to the Correctness of Some Opinions generally entertained on the Subjects of Population and Political Economy* (1821), by a mysterious Piercy Ravenstone concerning whom nothing has yet been discovered.

a cow), the fostering of field labour, the rustication of the proletariat, the revival of handicraft, and the return to the simple life. The socialistic elements of his doctrine are to be found in the first or descriptive portion of his book, wherein he denounces the new industrialism. Intensely disliking the factory system because of its effect on the lot of the worker, he speaks of the interests of capital and artisan labour as necessarily antagonistic, laments the division of Englishmen into two nations, and depicts a condition of class war. He further believes that labour is the sole source of wealth, holds that rent and interest are unjust deductions from the reward of toil, and calculates that the poor are robbed of seven-eighths of their due by the rich. Class war; progressive misery; labour theory of value; theory of surplus value—here are premonitory murmurings of Marxism !

(2) Robert Owen (1771-1858)— who in his early life made a fortune by capitalism and common sense, and squandered it in his later life in communism and craziness—had throughout his career a very different outlook from that of Charles Hall. He had no quarrel with the industrial revolution. On the contrary, he believed that the immense increase of productivity which it had rendered possible held out the best hopes of wealth for all. Moreover, he had a profound faith in wealth; it was the one thing necessary to provide that good environment which, in his opinion, was the prime determinant of character. Hence, in order to secure as much wealth as possible, and to spread it as equitably as possible, he advocated co-operation in production, communism in distribution, currency notes based on labour-value in exchange, and culture for all. After 1817, when Owen definitely abandoned common sense for com-

munism, he made nearly a dozen ruinous experiments to realise his ideas, the four chief being his socialistic settlements at New Harmony, Indiana; Orbiston, near Glasgow; Ralahine, County Clare, Ireland; and Tytherly, Hampshire, England. Their average duration was less than three years. One and all they collapsed amid quarrels, backbitings, poverty, and disgust. The cause of their speedy and unmitigated failure was not, as Owen tried to persuade himself, that "families trained in the individual system have not acquired those moral qualities necessary," etc., etc.; it was that communism itself is iniquitous and outrageous, and that it crushes out all those moral qualities—enterprise, forethought, diligence, thrift—which are indispensable to the success of any economic undertaking. This much must be said in Owen's favour: he was a man of fine character, high individuality, and pure enthusiasm, although a crank of the first water. He repudiated the class war (partly because he denied that anyone was morally responsible for his actions); he desired the well-being of all ranks and orders; he was an ardent social reformer and educational pioneer; he recognised the identity of the interests of capital and labour.* His chief significance in the history of socialism consists, on the one hand, in the impetus which his advocacy gave to co-operation, and, on the other hand, the quietus which his expensive failures administered to communism of the self-supporting

* Owen, an untrained and unsystematic thinker, made no contributions to socialistic theory. His leading ideas—utilitarian, rationalistic, environmental—are set forth in his (1) *New View of Society* (1813), (2) *Book of the New Moral World* (1836), (3) *Revolution in the Mind and Practice of the Human Race* (1849), and (4) *Autobiography*—prudently carried only to 1820—published at the very end of his life (1857).

type. After the final discordant crash of "New Harmony" in 1828* it was obvious that the only kind of communism that could hope to maintain itself was a parasitic communism deriving its sustenance from plundered capitalism.

(3) William Thompson (1785-1833) was an embryo-socialist who suffered from the painful embarrassment of being a landowner who all his life lived on the rent of his private property. He, however, showed himself to be an adept at compromise; for not only did he succeed in satisfying himself that it was right (for himself) to live on rent and at the same time to denounce rent as robbery, but he also succeeded in satisfying himself that the individualism of Bentham, the anarchism of Godwin, the communism of Owen, and a collectivism that was all his own, could be worked up into a single coherent socialistic system. His dominant illusion was the individualistic fallacy derived from Locke, and apparently sanctioned by Adam Smith and Ricardo—viz., that (individual) labour is the sole source of value—from which he deduced the illogical conclusion that to labour (collectively), and to labour alone, belongs the whole produce of industry. This thesis he developed in his *Inquiry into the Distribution of Wealth* (1824), and to this thesis he returned, without having much to add to it, in his *Labour Rewarded* (1827). "Wealth," he said at the beginning of his first book, "is produced by labour. No other ingredient but labour makes any object of desire

* Mr. Morris Hillquit admits that "no communistic experiment was ever undertaken under more favourable auspices" than was this one. See sketch of the history of "New Harmony" and the other Owenite townships in America in Mr. Hillquit's *Socialism in the United States* (1903), pp. 61-75.

an object of wealth. Labour is the sole parent of wealth." This individualistic theorem—which would give to each man such wealth as he creates; which would therefore sanction extreme inequalities; and which would necessarily deprive the impotent poor of any claim to maintenance—he modified by a second illusion, derived from Godwin and confirmed by Owen—viz., that all men are by nature equal; that consequently any differences whether in ability or productivity that they may manifest are due to circumstances over which they have no control; and that therefore equity demands that all should receive the same reward irrespective of what men call merit. Hence he would establish communistic societies of the Owenite type in which complete equality would prevail; in which all would have to labour according to their capacities; in which all capacities would be developed by education and environment; and in which labour (collectively) would receive in equal shares the whole of its produce. Dr. Menger regards Thompson as "the most eminent founder of scientific (!) socialism," and he concludes: "So much of the socialist philosophy as centres in the right to the whole produce of labour is completely expounded in the writings of William Thompson; from his works the later socialists—the Saint-Simonians, Proudhon, and, above all, Rodbertus and Marx—have directly or indirectly drawn their opinions."*

* Menger, A., *Right to the Whole Produce of Labour* (English Translation, ed. Foxwell, 1899), p. 51. Note also that Professor J. S. Nicholson, *Revival of Marxism* (1920), p. 52, speaks of Thompson's *Inquiry* as "the foundation of Marxian socialism" on its economic side, because of its development of the labour dogmas of value and surplus value.

(4) Thomas Hodgskin (1787-1869) shared William Thompson's devotion to Godwin; but he differed from him in that he broke away from Bentham and returned to Locke, repudiating utilitarianism and reverting to the doctrine of natural law and natural rights. Moreover, he rejected the communism of Owen, and emphasised the indefeasible rights of private property. In his later life he was associated with Herbert Spencer, to whom indeed he suggested the title of the work now known as *Social Statics* (which Spencer had intended to call *Demostatics*). It is strange, even in this topsy-turvy world, that a person who was from the first, and who always remained, an anarchic individualist of the Godwin school, with an intense detestation of government interference of all sorts, should have proclaimed doctrines which justified Mr. Sidney Webb in calling Marx "Hodgskin's illustrious disciple,"* and caused Mr. Francis Place to class Hodgskin and Owen together, and to say of them that "the mischief these two men have in some respects done is incalculable."† The embryo-socialistic doctrines which Hodgskin managed to mingle with his anarchic individualism were, first the labour theory of value with its corollary of surplus value; secondly, and consequently, the dogma of the class war; and thirdly, the doctrine of the so-called iron law of wages. In his *Labour Defended* (1825), *Popular Political Economy* (1827), and *Rights of Property* (1832), he taught that "the landlord and the capitalist produce nothing"; that "capital is the product of labour, and profit merely a portion of this product pitilessly extorted from the labourer"; that "rent is the difference between

* Webb, S. and B., *History of Trade Unionism* (1920), p. 162.

† British Museum, Add. MSS., 27,791/270.

what a slave produces and the cost of the slave's maintenance"; that the wages of labour tend always to decline to this level of slave subsistence; that "the natural price of an article is measured by the quantity of labour necessary to produce it"; that "labour is the sole source of value"; and that the interests of the labourer are irreconcilably opposed to those of the capitalist and the landlord. To all this subversive nonsense Hodgskin gave a purely individualistic application. He was thinking only of the solitary working man *vis-à-vis* either his employer, or the owner of the land on which his employer's factory was built. Marx, by simply spelling the word "labour" with an initial capital, and using it as a collective noun, or noun of multitude, converted Hodgskin's inflammatory individualistic errors into an alluring justification for a general communistic raid by the massed proletariat upon the property of the aristocracy and the bourgeoisie.*

(5) John Gray (1799-1850) differed widely from Thomas Hodgskin. Hodgskin's ideal was an amiable

* It is curious that Hodgskin had a presentiment that his theories would be appropriated and perverted by the socialists. In his last book he wrote: "Allow me at once to declare, as there have been in almost every age individuals such as Beccaria and Rousseau, and sects, some existing at present, such as Mr. Owen's co-operative societies, the Saint-Simonians in France, and the Moravians, who have asserted that all the evils of society arise from a right of property the utility of which they have accordingly and utterly denied; allow me to separate myself entirely from them by declaring that I look on the right of property—on the right of individuals to have and to own for their own support and selfish use and enjoyment the produce of their own industry, with power freely to dispose of the whole of that in the manner most agreeable to themselves—as essential to the welfare and even to the continued existence of society."—*Natural and Artificial Rights of Property* (1832), p. 24.

anarchism, free from all coercive government and all restrictive law; a world of voluntary communities voluntarily federated, each composed entirely of a hard-working, property-owning, self-supporting bourgeoisie, without admixture of either plutocrats or proletariat, ordering itself harmoniously under the guidance of natural instinct. Gray, on the other hand, was the pioneer of state-socialism; he envisaged a nation in which anarchic freedom should be entirely superseded by rigid regimentation under the control of a strong and all-embracing executive. Reaching young manhood, as he did, precisely at the time when the cessation of the great wars inaugurated a period of unprecedented disorder and distress, he became convinced that the chaos and conflict which he saw around him could be resolved into cosmos and peace only by the strong hand of state authority. This view he expressed in a lecture on *Human Happiness* (1825), and in a larger work entitled *The Social System* (1831). He did more, however, than advocate collectivism. He tried to penetrate to the root causes of the disorders of his time, and, being inadequately equipped for the task, he arrived at some strange conclusions, ultimately losing himself in the insane morasses of currency crankiness. On his way, however, to this limbo of lunacy (where he went to prepare a place for Mr. Oswald Mosley), he delivered himself of a system more decidedly socialistic than that of any of his contemporaries. First, he proclaimed the labour theory of value in its most extreme (and therefore most absurd) form. "Labour is the exclusive source of property," he said; and he went on to maintain that "labour" meant "manual labour" and nothing else. Hence "only those are productive members of society who apply their own

hands either to the cultivation of the earth itself, or preparing its materials for the uses of life." Whence it followed that merchants, managers, medical men, lawyers, governors, educators, *et hoc genus omne* are unproductive, living on the wealth provided by the workers. He calculated that out of a national income of £430,000,000 the non-producers secured £340,000,000. Secondly, and as a natural sequel to his labour theory, he denied the right of anyone to receive either rent of land or interest on capital. Thirdly, he maintained that "barter is the basis of society"; that the proper principle of barter is the exchange of equal quantities of labour; and that, consequently, not gold and silver, but labour-notes are the only defensible media of exchange. Fourthly, he denounced competition as the chief cause of poverty and injustice, and finally set forth his new "social system," according to which the land and capital would be nationalised, competition eliminated, labour made compulsory and organised by the state, and each labourer supplied with paper money in proportion to his productiveness. There can be no doubt respecting the full-blooded socialism of John Gray. He satisfies all the tests. Professor Foxwell looks upon Gray's lecture as "perhaps the most striking and effective socialistic manifesto of the time," and adds that "Gray must be regarded as the pioneer of modern, militant, aggressive socialism."*

(6) John Francis Bray—concerning whose career nothing is known except that at one time he was a compositor at Leeds—added nothing new to the errors current in the underworld of his day. His solitary book, entitled *Labour's Wrongs and Labour's*

* Introduction to Menger's *Right to the Whole Produce of Labour* (1898), pp. l. and liv.

*Remedy* (1839), was a galantine of the fallacies of Owen, Hodgskin, and Gray. It was, however, spicy, highly coloured, stimulating; it attracted many readers in the period of the Chartist agitation, and it had wide influence. Marx knew it well, and appropriated it extensively. It taught the usual things: all men are alike by nature; differences are due to environment; no economic inequalities should be allowed to arise; land and capital should be nationalised; all should be compelled to work; the basis of exchange should be equal quantities of labour; and so on. "Labour is neither more nor less than labour, and one kind of employment is not more honourable or dishonourable than another. . . . Inequality of labour is no argument for inequality of rewards." Mere time spent, wholly irrespective of the result, is apparently to be the measure of remuneration. Such is Bray's primrose path to bankruptcy.

## § 12. The Chartists

Bray's book was published in Leeds, and Leeds in 1839 was one of the most active centres of the Chartist agitation, then at its height. Now Chartism was on its surface a mere political movement. The famous six points of the charter formulated in 1838—manhood suffrage, equal electoral districts, vote by ballot, annual parliaments, abolition of property qualification, payment of members—all related to the constitution. But the power behind the constitutional demands was economic. As one of the leaders, J. R. Stephens, said: "Chartism is no mere political question; it is a knife and fork question. The charter for us means good lodging, good eating and drinking, good wages, and short hours

of labour."* The acquisition of political power was but a means to an end, the end being a radical social revolution. "Chartism," rightly says Mr. Beer, "in its essence and aim, resembled the international socialist and labour movement of the present day."† It showed, on the one hand, how deep was the distress and disturbance caused to hand-workers by the new machinery; to the agricultural labourers by the system of enclosures; and to all the destitute by the necessary but painful Poor Law of 1834. It showed, on the other hand, how profoundly the unhappy multitude had been moved and stirred by the crude but seductive fallacies disseminated by Paine and Godwin, Cartwright and Carlile, Hunt and Cobbett, Owen and the Ricardian socialists, together with hosts of other would-be saviours of mankind. The most wildly subversive and communistic views found expression in such Chartist publications as Hetherington's *Poor Man's Guardian* (1831-35) and O'Connor's *Northern Star* (1837-52). "Socialism and Chartism pursue the same aims; they differ only in their methods," said the *Northern Star* in its issue of January 21, 1843.

There was little that was coherent or systematic in the Chartist outbreak. Its clamour was the inarticulate cry of inexpressible pain, rather than the creed of a social philosophy. Nevertheless, in the main we may say that, (1) *politically*, Chartism abandoned Benthamism and reverted to the dogma of the natural rights of man as proclaimed by Rousseau and Paine; emphasised strongly the principle

* Quoted Hyndman, H. M., *Historical Basis of Socialism* (1883), p. 211. *Cf.* also Beer, M., *History of British Socialism* vol. ii. (1920), pp. 47-48.

† Beer, M., *op. cit.*, vol. i. (1919), p. 280.

of human equality which justified the demand for manhood suffrage and equal electoral districts; and asserted the sovereignty of the people which was to be realised in annual parliaments: (2) *socially*, Chartism accepted to the full the view of Godwin and Owen —so consoling to the lazy and incompetent—that defects in character and ability are due entirely to circumstances; that government is the main controller of circumstances; and, therefore, that all will be well if the suffering proletariat can capture the government with its environment-creating machinery: (3) *economically*, Chartism vehemently denounced private property in land, and reiterated the demands of Spence and Ogilvie for its nationalisation and repartition; clamantly took up the demand, to which Hodgskin and Gray had given expression, that labour (by which it meant manual labour) should receive the whole produce of industry; and, at the same time, urged the wholly incompatible claim, advanced by Cobbett, that every man, as such, should in case of need be maintained by the community.

The "moral-force" Chartists, headed by the moderate and comparatively rational William Lovett, wished to effect the political, social, and economic revolution by constitutional means—by education, by persuasion, by enfranchisement, by appeal, by vote, by legislation. To the active minority, however, this process appeared to be too slow and too uncertain. The *Poor Man's Guardian* from the first advocated direct action. In 1832 William Benbow formulated the policy of the general strike; in 1834, under Owen's inspiration, the "Grand National Consolidated Trades Union," a purely revolutionary organisation, was formed. The history of revolu-

tionary movements is monotonously the same: the moderate leaders are superseded by the violent; and the violent lead the masses to irretrievable disaster. In 1839 the "physical-force" Chartists, under the wind-bag O'Connor (the A. J. Cook of the day), definitely secured ascendancy over the party of Lovett. Direct action was organised—runs on banks, refusals to pay rent and taxes, boycotts of non-Chartists, and so on—culminating in open insurrection. Attempts at revolution were made, with decreasing hope of success, in 1839, 1842, and 1848. As a result the whole movement collapsed amid popular execration and contempt, "dragging down with it into the dust," as Mr. Beer candidly admits, "labour exchanges, co-operative societies, the movement for the eight-hour day," as well as the trade unions and the Owenite utopias.*

## § 13. The Christian Socialists

Out of the smouldering ruins of Chartism, phœnix-like, rose the so-called "Christian socialism" of Ludlow, Maurice and Kingsley. On April 10, 1848—the very day on which Chartism perished amid the ridicule caused by the Kennington fiasco—the three philanthropic and pious churchmen met in London, and, moved by pity for the multitude, who were as sheep without shepherds, decided to gather them into the fold of a Christianised socialism. Dr. Robert Flint justly remarks: "Those who first bore the name of Christian socialists in England were Christians of a type as healthy, beautiful, and noble as God's grace working on English natures has produced"; but, he adds with equal justice, they "did

* Beer, M., *op. cit.*, vol. i., p. 346.

not teach a single principle or doctrine peculiar to socialism," but rather, by their ethical and religious fervour, " struck at the very roots of socialism."* It is true, of course, that they denounced competition and advocated co-operation; that they desired to improve the condition of the poor, and so to introduce a greater equality into the lot of men; that they exalted the religious community over the godless individual. But to do all this does not, in and by itself, make men socialists. It merely makes them social reformers; and that is what Ludlow, Maurice, and Kingsley were. They had no quarrel with the existing social system as such; they gave no countenance to projected raids on land and capital; they utterly rejected the fatalistic and enervating doctrine that character and destiny are determined by circumstances; above all, they repudiated with abhorrence the idea of the class war, and the ferocious savagery of the recently promulgated *Communist Manifesto*. They looked for social salvation, not to a sanguinary victory of the proletariat over the bourgeoisie, but rather to a general recognition of the fatherhood of God and the brotherhood of Man; to voluntary co-operation; to conversion; to reformation of character; to the sanctification of riches; to the humanisation of industry; to the inculcation of the doctrine that property is a divine trust to be administered for the good of all. No wonder that to the genuine Marxian this mild, evangelical, lamb-like Christian socialism seemed to be but " the skin of dead dogma stuffed with adulterated socialistic ethics," or that it was denounced with fury as a " singular hybrid " not only alien from but

* Flint, R., *Socialism* (1895), pp. 434-437.

hostile to the true predatory socialism.* It was, indeed, as Dr. Flint observed, "thoroughly Christian, but not at all socialistic,"† and he would no doubt have agreed with Professor R. T. Ely when he said that "it would seem best to drop the use of the expression Christian socialism as something which leads to confusion rather than to clearness of thought";‡ or even with Mr. Austin Hopkinson in his epigrammatic criticism to the effect that it is "Christian only in so far as it is not socialism, and socialism only in so far as it is not Christian."§ For it is a profound truth, seen equally clearly by keen-sighted Christians and keen-sighted socialists, that the principles of the religion of love are wholly incompatible with the only operative form of socialism—viz., that which incites the proletariat to attack all other classes; which seeks to drag down the prosperous to the level of the base; which lusts for the confiscation of capital; which projects the extermination of landowners; which envisages the eradication of competition by the reintroduction of slavery under a criminal dictatorship. "In their strictest sense Christianity and socialism are irreconcilable," said the Rev. F. W. Bussell in a recent Bampton Lecture. "It is a profound truth that socialism is the natural enemy of religion," echoed the British Socialist Party in its official manifesto.‖

Ludlow, Maurice, and Kingsley, then, were not

* Bax, E. B., *Ethics of Socialism* (1895), pp. 52-53. Similarly M. Millerand in 1896 ridiculed Christian socialism as "only a wretched sham socialism." See Ensor, R. C. K., *Modern Socialism* (1904), p. 53.

† Flint, R., *op. cit.*, p. 43.

‡ Ely, R. T., *Socialism* (1894), p. 90.

§ Hopkinson, A., *Hope for the Workers* (1923), p. 36.

‖ Quoted by Raven, C. E., *Christian Socialism* (1920), p. 1.

socialists at all, in any exact sense of the term. They were social reformers, activated by Christian principles, and filled with a belief in co-operation as an antidote to competition. The experiments which they made, and on which they squandered large sums of their friends' money, were experiments in co-operative production within the limits of the capitalist system; which system they had no desire whatsoever to eliminate or transcend. Nevertheless, the history of the forty-one "Associations for Co-operative Production" which the Christian socialists founded and financed is extremely instructive for those who wish to discover what (if any) will be the effective motive in industry when competition is done away with and the lure of private profit removed. The outstanding fact is that every one of these co-operative associations failed, failed disastrously, and failed in a very short time, involving one supporter alone (E. V. Neale) in a loss of £60,000. Their pathetic but ridiculous story is told admirably in the sympathetic pages of Dr. C. E. Raven's *Christian Socialism* (1920). After tracing their short but hectic careers, he analyses with kindly but relentless skill the causes of their uniform collapse. The causes that he specifies and illustrates are as follows: (1) the vicious principle of equality of reward irrespective of output or ability; (2) lack of business capacity among their members, especially in the matters of organisation and publicity; (3) quarrels, dissensions, and schisms; (4) indiscipline; (5) slackness and inattention; (6) inefficiency—it was said, for example, that "you could always recognise a Christian socialist by the cut of the co-operative trousers"; (7) greed and selfishness; (8) flagrant dishonesty. In a word, "The scheme made too great a demand on the moral

qualities of the human material upon whose efforts and power of corporate life its success depended."* It was, further, true of Christian socialists, as of every other kind of socialists, that they are the last persons in the world to carry through to success any sort of socialistic experiment. For, as Dr. Raven regretfully confesses, "Socialism . . . has been especially cursed by its fatal fascination for the degenerate and the eccentric."† Socialism proper, equally with so-called Christian socialism, can maintain itself only so long as it can batten on the wealth created by its rival. When subsidies cease, it—like the capitalist state of the Marxian apocalypse—withers away. Thus it came to pass that by the year 1854 Christian socialism, with its co-operative associations, and with the extraneous capital by means of which they had been artificially maintained for a few years, had vanished from the scene. The way was clear for the German variety of socialism.

## III. Germany

### § 14. The Cult of the State

The Christian socialists of England, during the brief period of their illogical and unsuccessful career as an organised body (1848-54), were entirely non-political. They looked for the salvation of society to voluntary co-operation, private charity, individual regeneration, and the divine benediction. Very different, indeed, was the attitude of both Christian and anti-Christian socialists in Germany.

In Germany the cult of the state was supreme. Hence the socialism evolved in that country during the first half of the nineteenth century was emphatically

* Raven, C. E., *op. cit.*, p. 335. † *Ibid.*, *op. cit.*, p. 130.

state-socialism, or collectivism. And even the German socialism of the second half of the nineteenth century, although in some of its forms it looked beyond the state and contemplated a society in which the state would wither away, nevertheless postulated the initial seizure of the state by the communistic proletariat and the employment of its machinery for the establishment of the new regime.

This dominant *étatisme* of Germany is accounted for by the condition of the country at the close of the Napoleonic wars. Politically disintegrated, the German people longed for national unity; the prey of unpopular princes, they demanded democratic self-determination; economically stagnant, they ardently desired to share the advantages of the industrial revolution, and to develop an industry and a commerce which should make them the equal of their neighbours; socially oppressed by the obsolete relics of an effete mediæval feudalism, they clamoured for emancipation; docile and unaccustomed to self-help, they looked to the constitution of a popular national state under the militant king of Prussia —a state omnipotent and omnicompetent—as the only means by which they could attain their various aspirations.

Among their leading men, too, political speculation tended in the direction of collectivism. Most German statesmen were, or professed to be, philosophers. And the philosophy current in post-Napoleonic Germany was no longer the individualistic philosophy of Kant's *Rechtslehre* or the early Fichte's *Grundlage des Naturrechts*, but the strong nationalism of the later Fichte's *Staatslehre* and Hegel's *Philosophie des Rechts*. The French conquest and occupation of North Germany (1806-13) had com-

pletely alienated the sympathies of German thinkers from French revolutionary ideas. The short, fierce War of Liberation (1813-14) had roused the spirit of German patriotism to fever height, and in none did it rise to more sublime altitudes than in J. G. Fichte and G. W. F. Hegel.

Fichte (1762-1814), in his famous *Reden an der Deutschen*, written after the catastrophe of Jena in 1806, preached a passionate and exclusive nationalism in which devotion to the Fatherland superseded all individual aims; in his *Geschlossene Handelsstaat* he advocated a system of rigid protection—in which foreign commerce should be entirely prohibited to private persons—for purposes purely political; finally, in his *Staatslehre*, published the year before his death, he formulated a complete scheme of collectivism, under which all production should be controlled by the state, all distribution regulated by it, and all exchange determined by its will and in its own interests. Rightly have Fichte's works been regarded as "the first manifestations of modern socialism in Germany."*

Even more emphatically a worshipper of the state, although less concerned with its economic activities, was Fichte's disciple and successor, G. W. F. Hegel (1770-1831). Since Karl Marx was an avowed—although errant and heretical—disciple of Hegel, and since from Hegel he derived much that was distinctive in his system, it is necessary to pay some attention to the Hegelian philosophy in general, and to the Hegelian *Staatslehre* in particular. Concerning

* Laveleye, *Socialism of To-day* (English Translation, 1884), p. 7. Laveleye, it may be noted, discerns socialistic tendencies even in the early works of Fichte written under the individualistic influence of Kant.

Hegel's general philosophical position it is perhaps sufficient in this place to say three things: viz., *first*, he was an idealist—that is to say, he contended that the universe must be the manifestation of a rational principle, a revelation of intelligence, and an embodiment of will—in other words, that the ultimate reality is spiritual; *secondly*, he was an evolutionist—that is to say, he regarded the principle of development as fundamental, and consequently appealed to history to illustrate and confirm his theory of the progressive realisation of the ideal among men; *thirdly*, he was an absolutist—that is to say, he held that development proceeds "dialectically" by way of action and reaction, thesis and antithesis, until finally the "absolute" is attained in which all these contradictions are for ever reconciled and resolved. Applying these general principles to politics, he held (1) that will—which is necessarily free—is the basis alike of individual personality and of the state; (2) that discordant individual wills, seeking reconciliation and order, find it progressively in law, in subjective morality, in social ethics (*Sittlichkeit*), and in the state; that the state is the institution in which the individual attains to his full freedom, since it is both the embodiment of the real will of each citizen as well as the sphere of the operation of the general will of the community. Thus to Hegel the state occupied the same exalted position as it had done twenty-two centuries earlier to Plato. Under the dominant influence of Hegel, German philosophers and politicians alike looked to the state—and particularly to the Prussian state—as the predestined and absolute goal in which they should realise nationality, self-determination, prosperity, and world-dominion.

## § 15. Gall, Thünen, and Weitling

Early German socialism was, therefore, almost inevitably *étatiste*. It grew up in an atmosphere wherein a docile people were being taught to worship the state as an earthly deity, and to look to government officials for all the good things of life. Thus Ludwig Gall (1791-1863), himself a government official, in his *Was soll helfen?* (1825), urged the nationalisation of land and agriculture in the interests of the nation as a whole. Thus Johann Heinrich von Thünen (1783-1850), in a notable work entitled *Der isolirte Staat* (1826), discussed how a self- sufficient community should be organised so that all might have a living wage. Much, however, as he thinks the state can do in education, regulation, and control, he utters the warning that "the labouring classes must learn that the remedy for their unfortunate condition lies largely with themselves; for it is at bottom a question of population." Another contemporary German writer, it is true—Wilhelm Weitling (1808-1871)—carried Thünen's warning to anarchic lengths. In his *Die Menschheit, wie sie ist und sein solle*, 1838, and in later works, he advocated the violent abolition of state, church, and private property. But he found no home in Germany. Exiled from the Fatherland, he made his way to the New World, and his wild doctrines and stormy career belong rather to the history of American anarchism than to German socialism.*

* *Cf.* Hillquit, M., *History of Socialism in the United States* (1903), pp. 159-167.

## § 16. "Marlo" and Rodbertus

The true, authentic German note of thoroughgoing collectivism was first struck by Karl Winkelblech (1810-1865), a professor of chemistry, who, when he left his proper sphere for the alien world of sociology, wrote under the pen-name of "Marlo." In 1843, when visiting some Norwegian chemical works for professional purposes, he was deeply impressed and profoundly saddened by the wretched condition of the working people whom he beheld. Impelled by love of humanity, he set himself with zeal and sincerity, although with inadequate equipment, to investigate the causes of poverty and to propound a remedy for destitution. He came to the conclusion that the existing methods both of production and distribution were defective; that on the one hand not nearly as much wealth was created as might be, and that on the other hand, such wealth as was created was inequitably divided between land, capital, and labour. The remedy he proposed was collective ownership, co-operative production, and communal distribution—to each according to service rendered. He envisaged an industrial society consisting of self-governing units, not unlike Fourier's phalanxes, linked together in a federal constitution wherein liberty and equality would be harmonised. Like Thünen, however, he perceived that no amount of organisation and regimentation would avail to solve the problem of poverty so long as the growth of a pauper population was uncontrolled. Laveleye well epitomises his contention in the words: "Accomplish the best imaginable reforms, spare nothing in order to better the condition of the lower classes, adopt laws the best calculated to further the growth

of wealth and its equitable distribution, yet all your efforts will be in vain if the population increases faster than the means of subsistence."*

Better known and far more influential than "Marlo" was Karl Johann Rodbertus (1805-1875). A well-to-do Pomeranian landowner, for one delirious fortnight in the revolutionary year 1848 Minister of Health under the Prussian National Assembly, he devoted the ample leisure of his later life, and his great but undisciplined abilities, to social work and economic speculation. Being disorderly in mind and unsystematic in writing, he left no single book in which his ideas are coherently expounded. Many of them are scattered about in letters—especially in his *Sociale Briefe an von Kirchmann* (1850-1884)—and in contributions to journals and magazines—especially to Hildebrand's *Jahrbücher für Nationalökonomie* (1864-1870). Nevertheless, he iterated and reiterated so persistently and incessantly a few revolutionary dogmas that he has not inappropriately been called "the father of German state socialism," and exalted as a second Ricardo. First and foremost he taught, in its extremist form, the labour theory of value, asserting that labour is the sole source of wealth, and that therefore no payment in respect of rent or interest is legitimate. Secondly, he formulated in its most rigid shape the "iron law" of wages —that is to say, the theory that wages are determined not by the amount of the produce of labour but by

* Laveleye, É., *Socialism of To-day* (English Translation, 1884), p. 12. *Cf.* also Rae, J., *Contemporary Socialism* (1891), pp. 178-194; Kaufmann, M., *Utopias* (1879), pp. 110-122; Dawson, W. H., *German Socialism* (1888), pp. 48-52. "Marlo's" one immense, yet uncompleted, three-volumed work on social questions is his *Untersuchungen über die Organisation der Arbeit* (1850-1855).

the amount required for the mere subsistence of the labourer. Thirdly, from these two dogmas he deduced —though he did not employ the term—a doctrine of surplus value—that is to say, a theory that labour produces in goods far more than it receives in wages. Fourthly, he prophesied for the future—the distant future—since he estimated that five centuries would be needed to complete the process—a communistic society wherein the alleged iniquities of the present system would be eliminated. Fifthly, in his evolutionary sketch of world-history he tried to show how — through slavery, serfdom, and wagedom — progress had been made towards the ultimate communistic goal. Finally, as a dogma of the interim, he indicated how, in his opinion, the German national state, under a constitutional monarchy, could be used to redress the grievances of the present and hasten the realisation of the hope of the future.* No one who is acquainted with the teaching of either Lassalle or Marx can fail to be struck by the similarity of some of their doctrines to those of Rodbertus. In fact, Rodbertus himself, in a letter to Rudolph Meyer, formally accuses Marx of having "plundered" his ideas without acknowledgment; and Rudolph Meyer, indignant on behalf of his friend, roundly charges Marx with having dishonestly and dishonourably constructed the major portion of his critique of political economy from the pirated writings of Rodbertus.†

* The immediate reforms which Rodbertus urged were restriction of rent and interest, establishment of a minimum wage, and introduction of industrial insurance.

† Meyer, R., *Der Emancipationskampf der vierten Standes*, i., 43-44. On the life and work of Rodbertus generally see Gonner, E. C. K., *The Social Philosophy of Rodbertus* (1899).

## § 17. Ferdinand Lassalle

Ferdinand Lassalle (1825-1864) lies under no such stricture. He was not, and he did not profess to be, an original thinker. He did not claim to have added anything to the stock of explosive ideas current in the underworld of his day. He was on terms of intimate friendship with Rodbertus; he corresponded freely and frankly with him, and he readily admitted the debt which he owed to his writings. It is true that he differed seriously from Rodbertus on three points: but they were all points of procedure and not of principle. First, he was in a hurry, and was not prepared to wait for five hundred years for the realisation of his ideals; he was, therefore, secondly, an agitator and a revolutionary, not a mere evolutionary philosopher; thirdly, he looked to the establishment of state-aided productive associations as the main means for the attainment of socialism in his own day, whereas Rodbertus had no faith in their efficacy. Rodbertus was the man of thought, Lassalle pre-eminently the man of action. A Jew by race, bourgeois in class, the inheritor of a large unearned income, a man of fashion and of pleasure, immoral and unscrupulous, Lassalle was also a man of sparkling intellect, wide knowledge, boundless self-confidence, fascinating manners, and dæmonic will. He commanded neither respect nor love; but he excited in the masses, by means of a splendid and magnetic oratory, wonder, admiration, and enthusiasm. The years of his socialistic activity were few: most of what he said and wrote and did was compassed in the twenty-seven crowded and tremendous months which preceded his tragic and untimely death in

August, 1864. Within that brief period he published his *Working Man's Programme* (*Arbeiterprogramm*, April 12, 1862) and numerous other writings in which the principles of this programme were expounded. Above all, within that same period he founded the *Universal German Working Men's Union* (*Der allgemeine deutsche Arbeiterverein*, May 23, 1863), and so launched German Social Democracy on its conquering career. With tireless energy he traversed industrial Germany from end to end, causing a ferment such as had not been known since the revolutionary days of 1848.

The doctrines which he propounded in his writings and in his lightning campaigns were merely popularised versions—often reckless and unscrupulous exaggerations—of the teachings of Proudhon, Louis Blanc, Rodbertus, and Marx. He wrote and spoke wholly for effect, regardless alike of truth or moderation, considering that the end justified the means. The basis of his system was the so-called (and now entirely discredited) "iron law" or, as he preferred to name it, "brazen law" of wages—*das eherne Lohngesetz*. Concerning this imaginary law, he remarked in his *Offenes Antwortschreiben* (March, 1863): "The brazen economic law which determines wages under present-day conditions is as follows: that the average wage constantly continues at the mere subsistence level which national custom requires for the maintenance of existence and the propagation of the species"; and, to show the importance which he attached to this illusion, he added: "When anyone talks to you about the amelioration of the condition of the workers, ask him at once whether or not he acknowledges this law, and, if he does not, tell him that it is clear that he either wants to

deceive you, or that he is lamentably ignorant of political economy."

The way of escape from the operation of this "brazen law" which Lassalle indicated was, of course, the elimination of the capitalist and the expropriation of the landlord, whereby interest and rent would be added to the wages-fund and divided out among the manual labourers. How could this elimination, expropriation, seizure, and division be effected? Only by the exercise of political power, said Lassalle. Only the state could carry it through. Hence he founded, organised, and inspired the Working Men's Union—nucleus of the Social Democratic Party—for the ultimate purpose of capturing and controlling the sovereign political authority and the whole machinery of government. The means which, he declared, the state should adopt to secure to the working men the whole produce of their labour (including rent and interest) would be the creation and maintenance of productive associations, all the initial equipment and capital for which should be provided by the paternal state.

Lassalle was an intense and enthusiastic German nationalist, and not at all, like Marx, a disgruntled and embittered internationalist or cosmopolitan. He saw eye to eye with Bismarck in his schemes for the humiliation of Austria and the unification of Germany. Bismarck, for his part, had some sympathy with Lassalle; at any rate, they were both enemies of the individualistic, *laissez-faire*, pacific, bourgeois, free-trade German liberals of their day. The two men met and talked, and the influence of their conversations can probably be discerned in the measures by means of which, twenty years later, the great chancellor tried to inoculate the infant

empire against the virus of Marxism. The premature death of Lassalle, however, left the German Working Men's Union without any capable leaders, and, after a fierce struggle for existence, it was ultimately swallowed and absorbed by its Marxian rival (1875), which henceforth dominated German Social Democracy.*

## § 18. Christian Socialists and Socialists of the Chair

The dominant *étatisme* of Lassalle's socialism marked also in the main the so-called Christian socialism of Ketteler and Moufang (Catholic), Stöcker and Todt (Protestant), and also the misnamed "Katheder-Socialismus" (Socialism of the Chair), of Adolf Wagner and his academic associates. Ketteler, bishop of Mayence, an avowed and enthusiastic disciple of Lassalle, tried to win the German working man for Catholicism by throwing the influence of Catholicism on to the side of the new social democracy. "May God in his goodness," he cried, "bring all good Catholics to adopt this idea of co-operative associations of production, upon the basis of Christianity." He hoped that the church would win the eternal gratitude of the German working class by financing and fostering these anti-capitalist organisations. The church, however, did not show the slightest inclination to do so, and consequently Christopher Moufang, friend of Ketteler

* For Lassalle and his work see Brandes, D. G., *Ferdinand Lassalle, ein literarisches Characterbild* (1877); Mehring, F., *Die deutsche Social-demokratie* (1877); Pleuer, C., in *Allgemeine deutsche Biographie* (1883); Dawson, W. H., *German Socialism and Ferdinand Lassalle* (1888); Haenisch, K., *Lassalle, Mensch und Politiker* (1925).

and canon of Mayence, vehemently called upon the state to lend its all-powerful aid. The state, he said, can help the labouring class in four distinct ways: first, by legislative regulation and protection; secondly, by making grants to the productive associations; thirdly, by relieving the labourers from taxation and military service; and finally, by placing restrictions on capital.*

The Evangelical socialists of Germany, led by Adolph Stöcker, a Prussian court-preacher, and Rudolph Todt, a Lutheran pastor at Barentheim, were even more emphatic in their collectivism. No *Kulturkampf* diminished their devotion to the great Leviathan. They exalted monarchy as against democracy; state action as against *laissez-faire* ; rigid regulation of industry by the government as against capitalist freedom; support of productive associations of the state as against competitive individualism. They, of course, as Christians and conservatives, stopped far short of those attacks on private property and private enterprise which are the marks of socialism proper. They were mere collectivist reformers, and their socialism was, as their critics said, but *Mucker-Socialismus.*†

The same, too, may be said of the German "Katheder-Socialisten" and their creed. These "Socialists of the Chair"—Wagner, Roscher, Knies, Hildebrand, Brentano, Gneist, Schmoller, Schönberg, and the rest—were simply political economists in revolt against the dominant deductive school of Ricardo; protectionists antagonistic to *laissez-faire*, to

* Laveleye, É., *Socialism of To-day* (English Translation, 1884), pp. 116-139; Rae, J., *Contemporary Socialism* (1891), pp. 223-233.

† Laveleye, *op. cit.*, pp. 97-115; Rae, *op. cit.*, pp. 233-241.

"Manchesterismus," and to free-trade; humanitarians horrified by the condition of the industrial proletariat; and collectivists who believed that the state could and should intervene both negatively (by regulation) and positively (by nationalisation) in economic affairs. They advocated, and in their works exemplified, the historical or inductive method of economic enquiry; they reintroduced ethical considerations into economic arguments, confounding with truly Teutonic thoroughness what is with what ought to be; they banished from their speculations the "economic man" of the Ricardian system, whose sole rule of life was to buy in the cheapest and sell in the dearest market; and they replaced him by a many-sided human being as confused in both mind and morals as themselves; they diverted economic attention from modes of production to modes of distribution, and sought primarily to discover both the actual and the ideal method of determining the remuneration of capital and of labour; they repudiated individualism and exalted the community, depreciated liberty and appreciated equality, disapproved of competition and eulogised co-operation, advocated restriction of the capitalist and the immense enlargement of the functions of the state. They had, it is evident, many affinities with socialists proper, and especially with socialists of the Fabian type. Nevertheless they were but bogus socialists; for they fell far short of demanding the total elimination of the capitalist, the complete expropriation of the landlord, the entire extinction of private enterprise, and the utter eradication of competition. It was reserved for their exiled contemporary, Karl Marx, to go the "whole socialistic hog."

# CHAPTER VII

## MARXIAN SOCIALISM

"Karl Marx ist von allen Sozialisten der Wurzelloseste, Widerspruchvollste, Unausgeglichenste, Zerrissenste."—Werner Sombart.

"The head and centre of the destructive forces of Europe."—H. J. Laski.

### § 1. Karl Marx and his Work

We have now observed the rise in France, England, and Germany respectively, of the three main streams of influence which, when united and combined, constituted modern socialism. Summarising our observations broadly, we may say that France contributed the sociological element; England the economic; Germany the political. The French thinkers, under the inspiration of Rousseau, stressed the exaltation of the community over the individual, and urged the equalisation of human conditions; the English thinkers, misinterpreters of Locke and Adam Smith, propounded the labour theory of value, and placed the elimination of the capitalist and the expropriation of the landlord in the forefront of their programme; the German thinkers, deriving their basal philosophy from Hegel and consequently sharing his profound faith in the state, were primarily collectivists eager for the extinction of private enterprise and the eradication of competition.

We have now to note how these three streams were brought together and intermingled into one single

raging and destructive torrent by Karl Marx (1818-1883). Born in Germany, educated at Bonn and Berlin in the Hegelian philosophy, a prominent member of the Young Hegelian school of Feuerbach and Bauer; on the one hand, he contracted the dialectical disease in a form which vitiated all his writings, but, on the other hand, he became imbued with that consciousness of the supreme importance of the state which caused him to divert the whole current of socialistic endeavour from the construction of utopias to the seizure of political power. A refugee in Paris from 1843 to 1845, he came into intimate contact with Proudhon, Cabet, and other French idealists, and from them imbibed that detestation of individual liberty, social inequality, and private property which inspired the flaming eloquence of the *Communist Manifesto* of 1848. Finally established in London in 1849, he gained in the British Museum an acquaintance with the works of the early English economists and embryo-socialists which for fulness and minuteness put the knowledge of all contemporary native students of those subjects to shame. He eagerly absorbed the errors of the Englishmen—such as the labour theory of value—wherever he found that these errors would assist him in his predetermined task of exciting the massed proletariat to assail and overthrow bourgeois society. Almost all the material out of which he erected his crazy structure of economic fallacy is to be found in the treatises of Ricardo and McCulloch on the one side, or in the pamphlets of Hall, Owen, Thompson, Hodgskin, Gray, and Bray on the other. It is true that he did not always acknowledge his debt to these English pioneers. He left it to Dr. A. Menger and Professor Foxwell to discover and reveal his extensive

plagiarisms. He had a passion for a reputation for originality, a pronounced tendency to propound other people's ideas as his own. If to Proudhon property was theft, to Marx theft was property. He was not a great original thinker; he was a great appropriator, amalgamator, and confuser.

His claims to eminence and notoriety rest on other grounds than that of intellectual originality. They are as follows. First, as we have seen, he brought together and combined into a single remarkably unitary system three separate and distinct streams of thought—viz., French sociology, English economics, and German politics. Secondly, he gave to this system a direct and immediate practical application. His fusion of French, English, and German ideas produced, not a mere mechanical mixture, but a violently explosive compound; not a mere intellectual hotch-potch, but a psychological dynamic. His *Communist Manifesto*, incomparably the clearest and most powerful presentation of his system, called with compelling force upon the proletarians of all nations to combine, in order to seize the machinery of the state (adored by the Germans), in order to expropriate the landlords and the capitalists (denounced by the English), in order to set up the socialistic utopia (dreamed of by the French). In other words, he fused socialism with labour politics. Thus, thirdly, he provided the proletariat with a policy and a programme; he resolved its doubts and hesitations and gave it an immediate objective; he roused its fighting spirit by proclaiming the class war and by advocating a massed attack upon the bourgeoisie; he excited its cupidity by promising it limitless loot, while at the same time he soothed such relics of a conscience as it retained by offering it a demonstra-

tion (which, being unintelligible, it was fain to take on trust) that what looked like theft was really reparation. Hence, fourthly, he prepared the way for, and commenced, the conversion of organised labour to socialism. As Jaurès once remarked, "He brought socialist thought into proletarian life, and proletarian life into socialist thought." The gospel of plunder and of power which he preached made an irresistible appeal to labour leaders. It enabled them to gather round themselves, under the red flag of social revolution, masses of desperate men, ready for any form of violence. For, fifthly, he succeeded, by means of the Hegelian dialectic, in persuading both his followers and himself that socialism was the next inevitable step in human evolution, and that consequently the fight which he was inaugurating was one in which victory was assured; so that a merciless violence might, by abbreviating the agony, be in the long run the larger mercy. The actions of the Russian Bolsheviks—and of the communists in all countries—are eloquent of the mentality of Marx.

By these means Marx brought socialism down from the clouds of Utopia and placed it amid the crowded ways of men; but in doing so he degraded its ideals. It ceased to be a scheme for the consolidation of the community, and became a scheme for the enrichment and aggrandisement of the members of a single class. Its desire for the elevation of the poor was wholly subordinated to its passion for the abasement and spoliation of the well-to-do. The love and goodwill which had characterised the constructive system of Saint-Simon and Fourier were wholly absent from the destructive and hate-inspired programme of Marx. He made socialism practical by making it piratical; by changing its appeal from the best to

the worst elements in human nature. He made it popular by making it predatory. The communism of Marxian socialists is nothing else than the massed individualisms of a horde of primitive cave-men, or of a pack of hungry wolves. It is not the next step in a progressive evolution; it is a reversion to a prehistoric stage of barbarism and savagery.

Marxian socialism is potent, I say, just because of its appeal to the primitive individualism of the subnormal man. It excites his passion for plunder; it stimulates his love of fighting; it bemuses his rudimentary conscience, making him believe that he is out for justice and not for loot; it muddles his immature mind with ineffable nonsense concerning the complicated economic theories of value and surplus-value. Of the potency and efficacy of its appeal there can, unfortunately, be no doubt. It is the only really effective type of socialism in existence. It entirely supersedes its utopian predecessors; for they postulate self-sacrifice and hard work, and depict an ideal community which provides its own modest sustenance by co-operative toil—a most unattractive paradise to a cave-man. It easily holds its own against such middle-class modifications as Fabian socialism; for though these start with "nationalisation" in the sense of appropriation and plunder, they continue with "nationalisation" in the sense of organisation, regimentation, discipline, and compulsory labour, thus taking away all the joy from the initial spoliation. Only Marxian socialism offers brigandage—systematised, rationalised, moralised, glorified—without any countervailing disadvantages. Hence, as Thorstein Veblen says: "The socialism that inspires hopes and fears to-day is of the school of Marx. No one is seriously apprehen-

sive of any other so-called socialistic movement. . . . Socialists of all countries gravitate towards the theoretical position of avowed Marxism. In proportion as the movement in any given community grows in mass, maturity, and conscious purpose, it unavoidably takes on a more consistently Marxian complexion."* Deslinières concurs. "En fait," he remarks, "de nos jours, le Marxisme est tout, ou presque tout, le socialisme."† So, too, Clayton: "Modern socialism is Marx, and Marx modern socialism: there is no other foundation."‡ In much the same language that other zealous Social-Democrat, H. M. Hyndman, boasts: "Karl Marx has now been dead nearly forty years. It is safe to say that never has his influence been greater than now. . . . Marx still holds the field."§ Professor Ely well sums up the matter when he concludes: "In socialism Karl Marx occupies a position like that of Adam Smith in the history of political economy—all going before him in a manner preparing the way for him, and all coming after him taking him for a starting-point."‖ It is clear, then, that he who would understand modern socialism must give his nights and days to the depressing task of studying Marx's errant life, obnoxious character, and abysmal writings.

## § 2. The Career and Character of Marx

Thanks to the admirable and easily accessible monographs of Messrs. Spargo, Salter, and Beer,

* Veblen, T., *Quarterly Journal of Economics*, vol. xxi., p. 299.

† Dèslinières, L., *Delivrons, nous du Marxisme* (1923), p. 7.

‡ Clayton, J., *Rise and Decline of Socialism* (1926), p. 8.

§ Hyndman, H. M., *Economics of Socialism* (1922), pp. vii-viii.

‖ Ely, R. T., *Socialism* (1894), p. 97. *Cf.* also Sombart, W., *Socialism* (English Translation, 1909), p. 52.

there is no need to retell in detail to English readers the story of Marx's unhappy and misguided career.* It will suffice to stress a few facts which illustrate his character and indicate the determinants of his way of life. First and foremost, he was, of course, a Jew by race, the descendant of a long line of rabbis whose proper name was not Marx but Mordechai. In 1824, when he was six years of age, his father, for political reasons, abandoned Judaism for a nominal Christianity, thereby cutting himself and his family off from the communion of his people. They ceased to be Jews without becoming Germans: they were denationalised. The young Karl, when he came to school age, was sent to the gymnasium of his native town of Trèves. At school he distinguished himself rather for turbulence than for scholarship. His fiery temper, his overbearing manners, his impetuosity and violence, marked him out as the typical bully, and finally he was expelled for misconduct. At the universities of Bonn and Berlin his career was not much more promising. That he had ability of no mean order was evident; but on the one hand, it was dissipated in a thousand vagrant pursuits, and on the other hand, it was discounted by his intolerable temper and his wild behaviour. Some letters written to him by his father at this time have survived: they are eloquent of disappointment and disgust. They charge him with waste of time, talents, and money; with " silly wanderings through all branches of science "; with folly and extravagance;

* See Spargo, J., *Karl Marx, his Life and Work* (1910); Salter, F. R., *Karl Marx and Modern Socialism* (1921); Beer, M., *Life and Teaching of Marx* (1924). *Cf.* also Mehring, F., *Karl Marx* (Leipzig, 1918), and Loria, A., *Karl Marx* (English Translation by E. and C. Paul, 1920).

with " disregard for everything decent."* The father died in 1838, at the early age of fifty-six, and his last years were darkened by grief respecting the conduct and character of his son. The mother lived a quarter of a century longer, and when, in 1863, she too died, Karl Marx was notorious throughout the world; but his notoriety, coupled with his poverty and wretchedness, filled her with horror, and she would fain that he had never been born.†

At the university Marx acquired what Eugen Dühring has justly described as " a bastard- and half-education." He plunged into law, literature, history, philosophy; but made himself master of none of them. What influenced him most was the Hegelian philosophy. It became the foundation of all his subsequent thought. It taught him (1) the organic conception of society, (2) the evolutionary view of history, and (3) the belief that progress is realised by means of a perennial conflict between opposing elements and forces. It is true that, under the influence of Feuerbach, he abandoned the *idealism* of the master for the materialism of the Young-Hegelian rebels; but, nevertheless, from the Hegelian *dialectic* he never managed to escape. The whole of his speculation and research was vitiated by his everlasting quest for the trinitarian series—positive, negative, negation of negative; good egg, bad egg, chick; capitalism, revolution, communism; and so on.

On leaving the university he aspired to, and expected to get, either an academic post as a doctor

* See Spargo, J., *op. cit.*, pp. 36-50.

† One of the old lady's sayings has been preserved: " If Karl had made a lot of capital, instead of writing a lot about capital, it would have been much better " (Beer, *op. cit.*, p. 1).

of philosophy, or a position under the Prussian government as a state official. His reputation, however, as an aggressive atheist and violent rebel —an open enemy of both church and monarchy— effectively and finally blocked his way, and he had in furious wrath to turn to journalism for a living. In 1842 he joined the staff of the *Rheinische Zeitung*, an extremely radical and rubicund publication, and before the end of the year the violence of his contributions won for him the editorial chair. The virulence with which he attacked all established institutions suggests that he had whole-heartedly adopted the Young-Hegelian motto: "Whatever exists is worth destroying." The truth seems to be that his rage and disgust at finding the paths of academic and official advancement closed to him filled him with an implacable hatred of all classes and orders—kings, nobles, bourgeois—more prudent and prosperous than himself. His naturally domineering temper was excited to the point of madness by the resistance which he met, the dislike which he aroused, and the contempt and poverty which he had to endure. He became *enragé* and *détraqué*. Envy, hatred, malice, and all uncharitableness became the prevailing characteristics of his perverted disposition.

The *Rheinische Zeitung*, under his editorship, soon attracted the unfavourable notice of the Prussian government, and in 1843 it was suppressed. Marx then moved to Paris, where he imbibed French socialism from converse with Proudhon and Cabet, as well as from the writings of the Saint-Simonians, whence he learned much respecting the economic interpretation of history and the class war. In Paris, too, he consorted with a number of subversive spirits even worse than himself, eminent among whom were

Michael Bakunin and Friedrich Engels, and in association with them became involved in much revolutionary conspiracy. Expelled from France in January, 1845, he moved to Brussels, where for three years he laboured to organise an international communist league for the carrying through of an immediate and sanguinary social revolution. It was for this league that he, in conjunction with his *âme damnée* Engels, wrote the famous *Communist Manifesto* of 1848 to which we shall have to turn our attention in a moment.

The great revolutions of 1848—in which every European country except Britain, Belgium, and Russia was involved—opened the doors of both France and Germany to him again, filled him with hope, and provided him with enormous occupation. Banished from Belgium early in 1848, he returned to Paris, where for three months he helped to maintain the revolutionary tumult. Thence (May, 1848) he moved to Cologne, where for nearly a year he edited the *Neue Rheinische Zeitung* in which were laid down all those principles of merciless terrorism, sanguinary suppression, ruthless spoliation, and iron dictatorship that have recently been exemplified by the Bolsheviks in Russia. The recovery of Germany from the revolutionary fever in 1849, together with the bankruptcy of his mismanaged and pernicious paper, compelled him to leave Cologne (June, 1849). He returned to Paris; but there, too, sanity and tranquillity had been restored. Banished a second time from France (July, 1849), he made his way to Britain, the *cloaca maxima* which received, and still receives, both the evicted r actionaries and the rejected revolutionaries of the world. In this asylum he found himself in the strange fellowship of

the King of France, the Prince of Prussia, Metternich, Guizot, and countless other refugees. He and his fellow-communists alone among them all rewarded the tolerance and protection of their new home by maligning its institutions, conspiring against its administration, and stirring up rebellion among its people.

In England Marx continued to exist for thirty-four years (1849-1883)—more than half his life. Entirely lacking business capacity and practical common sense, incapable of rendering any useful service to society, he lived in extreme destitution and misery, until his capitalist friend Engels (out of the proceeds of what, according to his theory, was the robbery of the Lancashire working men) gave him a dole of £350 a year. His time during these thirty-four years was mainly occupied in reading, in writing, in organising and controlling the International Workingmen's Association, and in quarrelling with his fellow-revolutionaries.* During the last fifteen years of his life he suffered much from ill-health. In 1883 (May 5) he died.

Of his character it is impossible to speak with admiration. He was, it is true, not wholly devoid of bourgeois virtues. He loved his wife and children, and did not live up to those standards of sexual laxity which his creed allowed. He was sober, honest, unproductively laborious, and quite respectable according to conventional middle-class standards.

* Spargo in his *Life of Marx* gives particulars of fourteen embittered brawls—viz., with Weitling (p. 90); Kriege, Grün, Hess, Heinzen (p. 91); Proudhon (p. 92); Bakunin (p. 152); Herzen (p. 155); Liebknecht (pp. 179, 310); Kinkel (p. 196); Lassalle (p. 203); Vogt (p. 205); Herwegh (p. 132); Hyndman (p. 315).

But, on the other hand, he was autocratic, despotic, tyrannical, and overbearing in disposition and manner—one of Nature's own Prussian bureaucrats. He was intolerant, bitter, violent, venomous. He had an insane passion for priority and pre-eminence; an intense and perverted individualism; an implacable aversion from all who would not recognise his ascendancy and bow down before him. "Hatred outweighs love in his heart," said Mazzini. "He was a vain man, perfidious and artful," was the judgment of Bakunin. "I have never seen a man," wrote Schürz in his *Reminiscences*, "whose bearing was so provoking and intolerable. To no opinion which differed from his did he accord the honour of even a condescending consideration. Everyone who contradicted him he treated with supreme contempt. Every argument that he did not like he answered either with biting scorn at the unfathomable ignorance that prompted it, or with opprobrious aspersions upon the motives of him who had advanced it." He had a most obnoxious faculty for seeing the worst in all the persons whom he met; and all with whom he quarrelled were denounced in language of unmitigated virulence as traitors or as fools.

Nor was this ferocious intolerance a mere superficial defect of manner. It penetrated to the depths of his being and vitiated all his thought. He was entirely lacking in the scientific spirit, totally incapable of dispassionate argument. His inflamed emotions determined his conclusions, and his perverted intelligence put forth all its powers, with a complete disregard of all moral scruple, to provide an apparently rational foundation for them. "Even in such things as statistics, where verification is easy," says Mr. F. R. Salter, who is disposed to see

the best in him, " he lays himself open to the criticism of selecting such evidence only as will confirm his preconceived notions."* It is difficult to avoid the conclusion that he knew the fallacy and even the absurdity of the economic theories which he propounded in his leading works, and that he deliberately involved them in such a maze of ambiguous verbiage that it is impossible wholly to unravel them. Be this as it may, his disingenuousness, his prejudice, his one-sidedness, his evil temper, coupled with his pedantry, his obscurity, his abstractedness, his failure to face facts, his lack of touch with reality—these things deprive his writings of all scientific value, and leave them as monuments of wasted energies and prostituted abilities. It might be said of him as it was said of Boucher, " Il donnait â la haine une formule savante."†

If, however, his writings are scientifically worthless, and worse than worthless, they are still in the world of ignorance and passion unfortunately disastrously potent. Such parts of them as are intelligible are nicely calculated to rouse in a misguided and unhappy proletariat a sense of injury and injustice; to awaken a perverted class-consciousness; to stir up industrial strife; to precipitate social revolution. Marx's eminence is that of the agitator, not that of the thinker. He did not make socialism scientific; he made it predatory.‡ As the author of

* Salter, F. R., *Karl Marx and Modern Socialism* (1921), p. 254. *Cf.* also Skelton, O. D., *Socialism*, p. 174. " Marx was steeped in prejudice, too deeply infected by the revolutionary spirit of his surroundings in the forties to be able to take a calm and impartial survey."

† Baudrillart, H., *Jean Bodin et son Temps* (1853), p. 99.

‡ *Cf.* Barker, J. E., *British Socialism*, (1908), p. 472. " Karl Marx was not a scientist but a professional demagogue and revo-

*Das Kapital* he would have been long ago forgotten; as the promulgator of the *Communist Manifesto*, and the autocrat of the International, he lives as one of the prevailing subversive and destructive world-forces at the present moment. To the *Communist Manifesto* we must now turn our attention.

### § 3. The Communist Manifesto

Of the historical importance of the *Communist Manifesto* there can be no doubt. One enthusiastic admirer of Marx goes so far as to call it "the greatest political pamphlet of all time.*" Another, impressed by its style as much as by its content, describes it as "a document unique in the literature of the world," and "an unequalled masterpiece of convincing eloquence."† Mr. Bertrand Russell, no lover of the dictatorship of the proletariat, admits that the *Manifesto* is "a work of the most amazing vigour and force, setting forth with tense compression the titanic forces of the world, their epic battle, and the inevitable consummation."‡ Mr. St. Loe Strachey, who dissents from Marx even more strongly than does Mr. Russell, acknowledges the *Manifesto's* power. "It is not," he says, "in these dull tomes [*Das Kapital*] that the sting of Marxism is to be found. That lies sequestered in the *Manifesto* of 1848—one of the most evil, as well as one of the most alluring,

lutionist, and his merit from the socialist's point of view consists only in this, that he elaborated a formula of spoliation."

* Spargo, John, *Socialism*, (1906), p. 63; *Cf.* also the same writer's *Karl Marx* (1910), p. 107, where, for American readers, the *Manifesto* is equated with the *Declaration of Independence*.

† Sombart, W., *Socialism and the Social Movement* (English Translation by M. Epstein, 1909), p. 52.

‡ Russell, B., *Roads to Freedom* (1918), p. 30.

incentives to wrong thought and wrong action that the world ever knew."*

Whence came the importance, and where lay the power, of this cardinal document? It owed its importance in part to the circumstances in which it was written. It appeared in the great year of revolution: the first copies, indeed, came hot from the press on the very day (February 23, 1848) when the French rising against the Orleans monarchy began. It appeared, too, just at the time when the miseries of the masses resulting from the social upheavals and economic changes of the early nineteenth century had reached their height. It appeared, further, precisely when the "utopian" socialisms of Saint-Simon, Fourier, Cabet, Owen, and the rest had proved to be lamentable and ridiculous failures, and when communists were longing for a new lead. It was prepared by Marx and Engels for a congress of an international league of communists which met in London at the close of 1847. Its predatory principles captivated the imaginations and inflamed the lusts of the impecunious confraternity —mainly German—which listened to it. It was adopted as their statement of policy and their plan of campaign. They confidently expected that a few months—sanguinary or otherwise—would see the realisation of their dreams of plunder and power.

The fascination of the *Manifesto* consisted in the facts that (1) it diverted socialism from the policy of creating ideal communities by its own exertions to the more attractive task of seizing property and appropriating institutions already in existence; (2) it abandoned the method of secret conspiracy and subterranean operation hitherto practised by com-

* Strachey, in *Spectator*, July 8, 1922.

munistic coteries — humorously camouflaged as "Leagues of the Just," or "Societies of the Seasons" —and openly proclaimed war upon all established creeds and organisations; (3) it formulated a philosophy of history which filled the credulous with hope and confidence, for it told them that communism was the next predestined and inevitable phase in social evolution, and that so far from having to fear such failure as had overwhelmed the utopians, they had only to sit still and watch the predetermined development of communism out of capitalism; (4) in order that they might assist the fore-ordained and hasten the inevitable, it provided them with a practical programme of great allurement, the keynote of which was "abolish, confiscate, appropriate"; (5) it held out a prospect of revenge, destruction, and sanguinary devastation—the overthrow and humiliation of thrones, aristocracies, and above all the hated bourgeoisie—that appealed with irresistible attraction to the passions of envy, hatred, and malice which filled Marx and his associates with fanatical and truly diabolical fury. The energy and vigour of the *Communist Manifesto* is the demoniac energy of the madman, possessed by the evil spirits of jealousy, greed, lust of power, and insane hunger for revenge in respect of imaginary wrongs.

Apart from the fury of its passion, there is little that is original in the *Manifesto*. Its philosophy of history is derived from Hegel and Feuerbach: Marx had already given expression to it in two works of the period of his continental exile—viz., *The Holy Family*, 1844 (an attack on Bauer's idealism and on the character and intelligence of Bauer), and *The Misery of Philosophy*, 1847 (an attack on Proudhon's philosophy of misery, and on the character and

intelligence of Proudhon). The sociological ideas are derived from the French utopians, Saint-Simon, Fourier, Cabet, and in particular Victor Considérant. Its economic principles and its practical programme are derived from the English Ricardians, and in particular from William Thompson. Thus it unites and blends three streams of perverted truth or perverse error and, driving them forward with the urge of insensate passion, converts them into a devastating flood of social revolution.

The *Communist Manifesto* is divided into four sections. The first, under the heading "Bourgeois and Proletarians," expounds the materialistic conception of history and the theory of the class war. In particular it traces the rise of the modern bourgeoisie; denounces it as the oppressor of the proletarians; maintains that the existing state is "but an executive committee for administering the affairs of the whole bourgeois class"; declares that "law, morality, and religion are merely so many bourgeois prejudices behind which as many bourgeois interests are concealed"; and predicts the destruction of the whole bourgeois fabric at the hands of the outraged proletarians. The second section, entitled "Proletarians and Communists," indicates the part which Marx and his comrades will play in the imminent social revolution. They will lead and guide the proletariat. "The immediate aim of the communists is the same as that of all other proletarian parties—viz., organisation of the proletariat on a class basis; overthrow of the supremacy of the bourgeois; conquest of political power by the proletariat." When political power is attained, what will they do with it? "Communists can condense their theory into one sentence: abolition of private property." This

is alarming to the bourgeoisie! The communists suppose that they may protest. "You reproach us," they say, "because we would abolish your property. Precisely so; that is our intention." The section ends with a definite programme of ten items for the carrying out of this frankly avowed purpose of universal spoliation: the first item strikes the true authentic note; it runs, "Abolition of property in land, and confiscation of ground rents to the state." Never was a more entirely shameless and open appeal to the primitive cave-man's lust for loot. The third section treats (with gross unfairness and inaccuracy) of "Socialist and Communist Literature." It pours contempt upon all the humane socialisms and communisms of the past. "Christian socialism," it says, "is but the holy water with which the priest consecrates the envy of the aristocrat." The middle-class socialism of the Saint-Simonians and Owenites is "both reactionary and utopian." Fourier's *phalanxes* and Cabet's *Icarias* are but "duodecimo editions of the New Jerusalem." All alike are useless to proletarians: they mean too much work, lay too great a stress on character, hold out no hope of plunder. Rejecting, then, these unattractive paradises, the *Manifesto* ends, in its short fourth section, with the bugle call to united proletarian action. "The communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of existing social conditions. Let the ruling classes tremble at a communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win. Workers of all lands, unite." Concerning this famous finale Mr. Spargo remarks: "The concluding phrases of the manifesto have become the

shibboleths of millions. No sentences ever coined in the mint of human speech have held such magic power over such numbers of men."* If this is true, it is a lamentable demonstration of the persistence of the predatory individualism of unregenerate human nature.

## § 4. The Critique and the International

Most of the Marxian system is embodied in the *Communist Manifesto*. But one all-important element is missing. It contains no mention of the labour theories of value and surplus value. In other words, it incites the proletariat to wholesale spoliation, but it makes no attempt to provide any rational or moral justification for what, according to bourgeois standards, must be regarded as criminal activities. Why should bourgeois property, merely as such, be subject to merciless abolition and confiscation? What better claim to it have the proletariat than its bourgeois owners? Till Marx could answer those crucial questions his system was without moral or intellectual foundation, and it could make no appeal to any save the insane or the depraved. Hence he diligently sought in the works of the economists to find a plausible excuse for his predetermined programme of plunder. He seemed to discover what he required in the labour theory of value as adumbrated by Locke, recognised by Adam Smith, developed by Ricardo, and stated in its extreme form by McCulloch. He first exposed this foundation-stone of his hitherto baseless communistic structure in his so-called *Contribution to the Critique of Political Economy*—the

* Spargo, J., *Socialism* (1906), p. 60.

fruit of eight years' misapplied toil in the British Museum—published in Germany, 1859. Professing to be a work on economic science, and having no avowed or obvious relation to the *Communist Manifesto*, it was a complete failure. Its dull and heavy style; its obscure and involved argument; its remoteness from the facts of life; its baseless postulates and its unwarranted deductions from them; its radical unsoundness—all condemned it to speedy oblivion. It marked not progress but reaction in economic science; a reversion to the exploded errors of an earlier age. Economists laughed at it; communists saw no use in it.

Abandoning abstract speculation and turning once more to revolutionary agitation, Marx in 1864 achieved world-wide notoriety as the inspirer and leader of the International Working Men's Association, well described by Rae as "the Communist League raised from the dead." The inaugural address which he wrote for this association is a revised version of the *Communist Manifesto* with the addition of sections on trade unionism and the factory laws. The first full congress of the International, held at Geneva in September, 1866, made a considerable stir in the world, causing widespread alarm to both statesmen and capitalists. This alarm seemed to be justified when in 1867 the International began to intervene with decisive effect in the industrial disputes and strikes of various countries. In the circumstances the utterances of the autocrat of the International acquired a new and sinister significance. When, therefore, in 1867 he repeated in the first volume of *Das Kapital* the economic errors that he had vainly propounded eight years earlier in his stillborn *Critique*, the agitated world gave heed to

his utterance and made a serious effort to understand it, while it was hailed as an inspired (if unintelligible) gospel by the agitating proletarian.

## § 5. Das Kapital

*Das Kapital*, however, is more than a mere repetition of the errors of its stillborn predecessor. It co-ordinates the communism of the *Manifesto* with the economics of the *Critique*, and so supplies—in the theories of value and surplus value—the missing foundation-stones of the revolutionary structure. It professes to provide the justification for the spoliation which the *Manifesto* advocated, and which the International was organised to secure. Fortunately, it is not necessary for us here to examine in detail Marx's obscure, fallacious, and dishonest argument. That task has been accomplished with devastating thoroughness in a number of works, of which E. von Böhm-Bawerk's *Karl Marx and the Close of his System*, Lucien Deslinières' *Délivrons-nous du Marxisme*, and H. W. B. Joseph's *Labour Theory of Value in Karl Marx* are among the most effective. No candid and intelligent student attempts now to defend the positions assumed with dogmatic arrogance by the unscrupulous agitator. Mr. H. G. Wells dismisses *Das Kapital* as "a monument of pretentious pedantry." Mr. Bernard Shaw says that it is "not a treatise on socialism, but a jeremiad against the bourgeoisie, supported by such a mass of evidence and such a relentless Jewish genius for denunciation as had never been brought to bear before." Mr. J. M. Keynes speaks of it as "an obsolete economic textbook . . . not only scientifically erroneous, but without interest or

application for the modern world." Dr. Arthur Shadwell describes it as "the longest, most involved, and most inconsistent argument ever put on paper." Dr. J. Beattie Crozier goes further: he charges Marx with deliberate fraud. The obscurity of his argument, he holds, was due to the fact that he was aware of its logical unsoundness; hence "he was obliged to cover up his footsteps as he went along, and, like the wily old fox he was, try rather to elude the vigilance of his followers than honestly to assist them on the trail."

*Das Kapital*, as originally planned by Marx, was to consist of four books. The first was to treat of the creation of capital; the second of its circulation; the third of the process of capitalist production; the fourth of the history of the theory of surplus value. Of these four projected books only the first appeared in Marx's lifetime: it was published in German in 1867, and was translated into English twenty years later. For the second and third volumes Marx collected masses of material, but "these two damned books," as he called them, were never finished by him. They were eagerly expected by the faithful, for it was hoped that they would solve some apparently insoluble problems raised by the theories of value set forth in the first. After Marx's death in 1883, the devoted and credulous Engels spent toilsome years in sorting out, arranging, piecing together, and explaining the master's chaotic remains. Volume ii. was published in 1885 (English Translation, 1907); volume iii. in 1894 (English Translation, 1909). The issue of these posthumous works made it clearly evident why Marx had never completed them. They totally failed to resolve the paradoxes or remove the difficulties of volume i.

They provided, indeed, the refutation of the false theories of value and surplus value set forth with pontifical dogmatism in volume i. They made necessary that "revision" of the whole Social Democratic programme which Eduard Bernstein immediately instituted. They destroyed what remained of Marx's reputation as a thinker, and they proclaimed him a false and discredited prophet. Towards the fourth volume of *Das Kapital* nothing was ever done. It is well. For the history of the theory of surplus value is merely the history of either a great illusion or a deliberate deception. Certainly any treatment of it by Marx would have been worse than worthless. Even as it is, the reading of the three extant volumes of *Das Kapital* is dismal work. Says M. Deslinières: "Rien n'est plus aride, rien n'est plus rebutant que la lecture de son *Kapital.*"* Even Benedetto Croce, who tries to find something of good in Marx, and something of the intelligible in his writings, is bound to admit that *Das Kapital* is "un mélange bizarre de théories générales, de polémiques et de satires amères, d'illustrations et de digressions historiques."†

Whatever merit there is in Marx's enormous work —which has been called "the sacred book of contemporary socialism," and "the Koran of the class-war"—consists precisely in those descriptive illustrations and historical digressions to which Croce refers. Marx's researches into British blue books enabled him to construct a lurid, if highly over-coloured, picture of the condition of the English

* Deslinières, L., *Délivrons-nous du Marxisme* (1923), p. 68. *Cf.* also p. 69, "La raison s'arrête, interdite, devant le chaos impénétrable de la pensée marxiste. Et il faut un acte de foi pour l'accepter."

† Croce, B., quoted by Deslinières, *op. cit.*, p. 68.

working classes, which showed the urgent need for social reform, moral regeneration, and above all restriction on the increase of the pauper population. Marx's diagnosis of the causes of the social and economic evils of his time was, however, totally mistaken, and the remedies that he proposed were poisons which could only aggravate the diseases that they were intended to cure.

## § 6. The Marxian System

We are now in a position to consider the Marxian system in its entirety, as evolved progressively in (1) the *Communist Manifesto*, (2) the *Critique of Political Economy*, (3) the inaugural address to the International Working Men's Association, and as completed and fully displayed in (4) *Das Kapital*.

Three preliminary observations may be made. First, the Marxian system is an integer, highly articulated, closely concentrated, with all its elements mutually interdependent. It is not possible to say of it, as of the curate's egg, that it is "good in parts." It is edible or inedible as an indivisible unit. Professor Flint well expresses the point in the words: "The system of Marx cannot be half accepted and half rejected. It must stand or fall as a whole."* So, too, Dr. Simkhovitch, who says: "All the doctrines of Karl Marx, scattered as they are in various writings, support one another and thus form a single theoretical system."†

The second thing to be noted is this: that the Marxian system, since its formulation was completed in 1894, has been entirely shattered by criti-

* Flint, R., *Socialism* (1895), p. 184.

† Simkhovitch, V. G., *Marxism versus Socialism* (1913), p. 147.

cism, so that it is now a moral and intellectual ruin which no impartial and competent thinker professes to regard as an intact structure. The expression which Professor Wolf of Zürich applies to one of Marx's arguments is applicable to the whole system: it is "eitel Humbug." Dr. R. T. Ely condemns it as "pseudo-scientific" and "full of revolting crudities."* Dr. Böhm-Bawerk describes it as "dialectical hocus-pocus" and adds that "the evidence which Marx advances in his system is clearly not the same as that by means of which he himself arrives at his convictions, but was thought out subsequently as an artificial support for an opinion which was previously derived from other sources."† Dr. Beattie Crozier points out the "inherent absurdity" of Marxism, and remarks that "this particular scheme of Karl Marx touches perhaps the lowest depths that abstract social utopias have yet reached."‡ Michael Bakunin, the Russian revolutionary and Marx's great rival for leadership in the fiery pandemonium of the International, denounced Marxism as "the vilest and most formidable lie which our century has produced."§ Even the devoted Beer, the whole-hearted disciple and enthusiastic biographer of Marx, is constrained to make the scandalous admission that the Marxism which he continues to advocate is false. "It is impossible to set aside the view," he says, "that Marx's theory of value and surplus

* Ely, R. T., *Socialism* (1894), p. 178.

† Böhm-Bawerk, *Karl Marx and the Close of his System* (English Translation, 1898), pp. 126, 148.

‡ Crozier, J. B., *History of Intellectual Development*, vol. iii., p. 84.

§ *Correspondance de Bakounine* (1896), p. 219.

value has rather the significance of a political and social slogan than of an economic truth." But, he adds: "Such militant philosophies need not in themselves be true, only they must accord with the sentiments of the struggling mass. It is with such philosophical fictions that human history works." Here is pragmatism with a vengeance! It is a plea that would justify the utterance of any lie which the liar held to be socially useful. "Marx is," he shamelessly continues, "in respect of economic theory, predominantly an agitator. His system, more than any other system of socialism or of political economy, is the revolutionary expression of proletarian thought and feeling." Hence, although demonstrably false, it "will for long have *the force of truth* for the masses, and will continue to move them."* If we ask why this disintegrating body of pernicious error should continue to have "the force of truth" for the masses, the answer is (as suggested by Mr. Beer himself) that it accords with their "sentiments"; that, in other words, it enables the unsuccessful and the criminal to gratify their passion for plunder and devastation—to abolish, confiscate, appropriate, and destroy to their heart's content—while at the same time they flatter themselves that they are administering justice, vindicating right, and realising the determined ends of social evolution.†

This brings me to the third preliminary observation which I wish to make. It is this: that in spite of the fact that the Marxian system has been shattered by criticism; in spite of the fact that it is demon-

* Beer, M., *Life and Teaching of Karl Marx* (1924), pp. 129-131.

† *Cf.* Nicholson, J. S., *Revival of Marxism* (1920), p. 139. "It is the immediate redistribution of the property of others that gives the driving force to revolutions of the Bolshevist type."

strably false; in spite of the fact that no honest and reputable thinker professes to believe its obsolete fallacies, it still continues to be taught in Labour Colleges and Plebs Leagues; still continues to be expounded and exalted in countless revolutionary papers and magazines; still continues to inspire the evil activities of communists, syndicalists, and many guild socialists; still continues to rule in Russia; still continues to be the only really effective form of socialism in existence. This ominous fact alone is sufficient to show how little the masses of men are moved by reason, and how much they are swayed by appeals to predatory passion.

In order that we may understand and realise wherein lies the strength of the Marxian appeal, we must examine in turn—with as much brevity as may be—each of the essential elements of the Marxian system. They are as follows: (1) The Materialistic Conception of History; (2) The Class War; (3) The Economic Explanation and Justification of the Class War—viz., the Theories of Value and Surplus Value; (4) The Doctrine of Economic Determinism; and (5) The Immediate Communistic Policy and Programme.

### (1) *The Materialistic Conception of History.*

"Le Marxisme," said Deslinières, "est essentiellement une nouvelle philosophie de l'histoire."* Nowhere did Marx more nearly attain to originality than in his economic interpretation of history: indeed, we may go so far as to say that the *exaggeration* of this mode of interpretation and its conversion from sense to nonsense was all his own.

* Deslinières, L., *Délivrons-nous du Marxisme* (1923), p. 2.

The importance of economic factors in determining the course of human affairs had been recognised by many previous writers. Aristotle himself, the source of all the sciences, had observed in his *Politics* that men's occupations determine their ways of life, and had made differences of economic conditions the basis of his classification of democracies.* Epicurus, on whom Marx wrote his doctoral dissertation, had explained all phenomena in terms of matter. In more recent times the distinguishing mark of Harrington's *Oceana* (1656) had been its insistence upon the decisive influence of distribution of property upon distribution of political power. In the eighteenth century Dalrymple in England, Möser in Germany, and Garnier in France had all written works in which a clear appreciation of economic determination had been shown.† In the early nineteenth century Saint-Simon had distinguished himself by displaying and explaining the French Revolution as at bottom an economic rather than a political movement, and his disciples, together with those of Fourier, had applied the materialistic interpretation of history to the whole course of human events. What was lacking in these older economic conceptions of history was the idea of evolution: they were all static. The missing evolutionary idea was supplied by Hegel, and Hegel's evolutionary idealism was converted into evolutionary materialism by Feuerbach—the coiner of the famous phrase "Der Mensch ist was er isst" (Man is what he eats: food makes man).

* Aristotle, *Politics*, i., 8, and vi., 4.

† Dalrymple, J., *Essay on Feudal Property* (1758); Möser, J., *Osnabrücksche Geschichte* (1768); Garnier, G., *De la Propriété*, (1792).

Feuerbach was the immediate precursor of Marx as a philosopher of history.

Marx gave utterance to the materialistic conception of history in numerous writings during the fifteen years 1844-1859, beginning with an article in the *Deutsch-Französische Jahrbuch* (1844) and ending with the *Critique of Political Economy* (1859). In his later writings it is rather assumed than expressed; there is, however, a definite reassertion of it in the posthumous volume iii. of *Das Kapital* (1894). It is impossible here to trace the development of the Marxian theory through the *Holy Family* (1844), the *Misery of Philosophy* (1847), the *Communist Manifesto* (1848), to its culmination in the *Critique* (1859). Nor is it necessary; for the task has been excellently accomplished by Professor Seligman.* It must suffice here to give Marx's final statement, and to supplement it by the authoritative statements of his leading disciples. Towards the beginning of the *Critique* Marx says: "The method of production in material existence determines social, political, and spiritual evolution in general. It is not the consciousness of mankind that determines its existence, but, on the contrary, its social existence that determines its consciousness."† After Marx's death the faithful Engels was very much concerned to maintain his reputation as the formulator and propagator of this materialistic philosophy of history.

* Seligman, E. R. A., *The Economic Interpretation of History* (second edition, 1924), pp. 27-43.

† "Die Produktionsweise des materiellen Lebens bedingt den socialen, politischen, und geistigen Lebensprocess überhaupt. Es ist nicht das Bewusstsein der Menschen das ihr Sein, sondern ihr gesellschaftliches Sein das ihr Bewusstsein bestimmt."—*Zur Kritik der Politischen Oekonomie*, i., pp. iv-v.

Hence he was continually restating it, expounding it, explaining it—indeed, ultimately (and no doubt unwittingly) explaining it away. His most concise utterance on the matter is as follows: "The final causes of all social changes and political revolutions are to be sought, not in men's brains, not in men's better insight into eternal truth and justice, but in changes in the modes of production and exchange."* Again, of all modern exponents of the gospel according to Marx, Karl Kautsky is the most authoritative and most orthodox. His rendering of the Marxian conception is: "The history of mankind is determined not by human ideas, but by economic development, which latter marches irresistibly forward according to fixed laws and not according to the wishes and humours of man."†

It will be noted that Marx and Engels, followed by the faithful Kautsky, attribute *all* social, political, cultural, and religious evolution to economic causes. "The materialistic conception of history means that every movement and every belief is to be explained by the economic interest or class interest of the set of people among whom it arose."‡ Marx and Engels, indeed, in the first flush of what they regarded as their great discovery—a discovery which they equated with Darwin's discovery of the origin of species—were fain to treat economic causes as the

* Engels, F., *Socialism, Utopian and Scientific* (English Translation, fifth edition, 1920), p. 45. Other statements to the same effect will be found in the Introduction to the same book, p. xix; in the Preface to the English edition of the *Communist Manifesto*, 1888; and in Engels' *Herrn Eugen Dührings Umwälzung der Wissenschaft*, Part III., § 2.

† Kautsky, K., *Social Commonwealth* (English Translation, 1902), p. 15. *Cf.* also Kautsky's *Erfurter Programm* (1892), p. 38.

‡ *Times Lit. Sup.*, October 22, 1925.

only operative causes in history. Nay, more—and this should be carefully noted—for their purpose it was necessary that they should do so. For if the existence of any other final causes than the economic causes were admitted, the sequel of the class war, the social revolution, and the dictatorship of the proletariat would not logically follow. If, for example, religion were allowed to be an independent motive force in history, the effect of its operation might be, not class war, social revolution, and the dictatorship of the proletariat, but spiritual revival, world-wide evangelisation, and the dictatorship of the devout. Hence Marx and Engels, followed by the faithful Kautsky and many others, made prodigious efforts to explain *all* historical phenomena, and particularly all religious phenomena, as the mere product of economic causes, *i.e.* as the outcome of class interests, struggles for food and clothing, proletarian revolts against exploitation, and so on. Thus early Christianity was explained as a communistic mass movement inspired by hatred of the rich, by a desire to divide up their property, and by the hope of establishing a kingdom of material well-being on this earth. Christ was a demagogue; the apostles agitators; the primitive disciples a gang of rebellious proletarians; the church in Jerusalem a secret organisation of social revolutionaries.* So, too, the Crusades are interpreted as commercial enterprises; the Reformation as a struggle between landowners and manufacturers; Calvinism as " a religious expression of the fact that in the mercantile world of competition, success or

* This thesis is elaborated in minute detail in Kautsky's *Die Entstehung des Christentums* (1885), one of the most ridiculous works ever composed by stone-blind prejudice.

failure does not depend upon a man's activity or cleverness, but upon circumstances uncontrollable by him."*

Nonsense of this kind obviously could not long maintain itself in a world of even semi-rational creatures. Hence there speedily began a modification and retraction of the extreme materialistic or economic doctrine. Engels himself, when Marx was no longer with him to warn him of the significance of his recantations, in a series of letters published in the *Leipziger Volkzeitung* and other papers (1890-95), virtually abandoned the dogma. "Marx and I," he sadly confessed, "are partly responsible for the fact that the younger men have sometimes laid more stress on the economic side than it deserves." He had to admit that, however important economic controls might be, there were others—racial, physical, political, legal, philosophical, religious—which are so far independent and distinct that "they all react upon one another and upon the economic base."† To say this was to surrender the Marxian citadel. Even more complete and whole-hearted is the retractation made by Bernstein and the revisionists. Bernstein not merely admits but stresses the multiplicity and independence of the factors that have made history.‡ Similarly, Mr. Belfort Bax confesses that "it is a mistake to regard the economic side of things as in all periods of history equally determinant"; that

* Engels, F., *Socialism, Utopian and Scientific* (1920), p. xxiv.

† Letters of Engels quoted in Woltman, *Der historische Materialismus* (1900), pp. 248-250. *Cf.* also Seligman, E. R. A., *Economic Interpretation of History* (second edition, 1924), pp. 62-67, and Simkhovitch, V. G., *Marxism versus Socialism* (1913), pp. 28-32.

‡ Bernstein, E., *Evolutionary Socialism* (English Translation, 1909), pp. 3-17.

" although economics are the basis of human existence, they are the basis merely and not the complete whole "; that " there are certain human interests (*e.g.*, philosophy) whose development cannot be interpreted economically "; and so on. He makes a tolerably complete evacuation of the Marxian position.* Similarly, Mr. Edmond Kelly agrees that "it is impossible to read the words of Christ, Plato, Aristotle, Saint Thomas Aquinas, Carlyle, Emerson, and Tolstoi, without being impressed by the fact that they soared far above all economic considerations."† Finally, Mr. Ramsay MacDonald allows that " the materialist conception of history is after all one-sided and inadequate."‡ He compares it, with amazing infelicity, to a " toy," which, having fulfilled its purpose of amusing children, begins " to show signs of wear." A conception of history which is the philosophical foundation of the theory of the class war, of the regimentation of the proletariat for the social revolution, and of the Bolshevik dictatorship, is a formidable sort of plaything !

Whatever it may be, however, there is no doubt that it begins to " show signs of wear," nay, that it is worn out. Professor Seligman concludes his masterly survey of its rise, decline, and fall with the words: " As a philosophical doctrine of universal validity, the theory of historical materialism can no longer be successfully defended."§ He points out that " there is not only an economic interpretation of history, but an ethical, an æsthetic, a political,

* Bax, E. B., *Outlooks from the New Standpoint* (1891), pp. 125-141.

† Kelly, E., *Twentieth Century Socialism* (1910), p. 388.

‡ MacDonald, J. R., *The Socialist Movement* (1910), p. 144.

§ Seligman, *op. cit.*, p. 159.

a jural, a linguistic, a religious, and a scientific interpretation of history."* Dr. Skelton similarly shows that "it is impossible to bring all the wide range of human interests and motives under a single rubric. The thirst for fame and for power, religious aspiration, racial prejudice, sex-attraction, scientific curiosity, the instinct of play, are as real and primary forces as economic environment."† Professor Mackenzie contends that the religious factor is a more potent and original factor in the determination of historic events than the economic, and he adds that "there are other factors, such as race, language, and the general manners and traditions of different peoples," which have to be taken into account, and which cannot be interpreted as consequences of economic antecedents.‡ Professor MacIver goes to the root of the matter when he says that "after all, economic goods are not an ultimate end of men's endeavour. Men do not produce or exchange for the sake of the satisfaction of so doing, but for the sake of satisfaction which these processes serve. On the other hand, men do seek health or happiness or knowledge or art or religion for the direct satisfaction these involve. In this sense these interests are prior to the economic interest and must be regarded, however they depend upon it, as modifying and directing the economic order."§ Finally, Professor Laski remarks that it is "clear that the insistence upon an economic background as the whole explanation is radically false," and he proceeds to give examples of historical phenomena (*e.g.*, Balkan

* Seligman, *op. cit.*, p. 153.

† Skelton, O. D., *Socialism, a Critical Analysis* (1911), p. 105.

‡ Mackenzie, J. S., *Outlines of Social Philosophy* (1918), p. 198.

§ MacIver, R. M., *The Elements of Social Science* (1921), p. 54.

nationalism) which cannot be materialistically explained.*

The sum of the matter would appear to be this: the materialistic conception of history may partially explain the evolution of primitive barbaric society which was wholly engrossed in the struggle for the means of existence; it does not explain the evolution of civilised society in which other and higher interests prevail; it leaves out of account—unexplained and wholly inexplicable—religion, patriotism, devotion to ideal causes, martyrdoms, spiritualities; it does not explain Buddha, Christ, Mohammed, Luther, Tolstoi; nay, it does not explain Karl Marx himself. For Marx most assuredly was not mainly moved by economic considerations. His talents were such that, had he been normal, he could easily have prospered in Prussia as a doctor of philosophy, a bureaucratic official, or a heavy dragoon. He was throughout his life swayed and controlled by most uneconomical passions, which ruined his material interests. Moreover, he himself implicitly denied the exclusive or even dominant influence of economic forces in human affairs when he inveighed, as he persistently did, in language of unrestrained violence against religion and nationality. Why were they formidable? Nay, more; the very potency of Marx's *ideas*, which are amongst the most potent of all the destructive forces at large in the world at the present moment, is a convincing demonstration that these ideas are false; for it shows that the materialistic interpretation of history is inadequate fully to explain the spread of Marxism itself.

* Laski, H. J., *Karl Marx* (1922), p. 33.

## § 7. The Marxian System

### (2) *The Class War.*

Marx's theory of the class war is the corollary to his materialistic conception of history. If the one is abandoned, the other falls to the ground. And if the theory of the class war falls to the ground, the whole Marxian system collapses. This theory, says Spargo, is " a pivotal and vital point of socialist philosophy."* Hubert Lagardelle goes so far as to say that " the whole of socialism is comprised in the class war."† In Lucien Deslinières' opinion, " l'idée de lutte de classes domine le Marxisme; elle en est la caractéristique."‡ And again, " Marx est en proie à une idée fixe. Il tourne sempiternellement dans le même cercle. Rien n'existe à ses yeux en dehors du conflit entre le prolétariat et ses exploiteurs."§

The theory of the class war is, as we have seen, the keynote of the *Communist Manifesto.* The first section of this document begins: " The history of all hitherto existing society is the history of class struggles. Freeman and slave, patrician and plebeian, baron and serf, guild master and journeyman, in one word, oppressor and oppressed, standing constantly in opposition to each other, carried on an uninterrupted warfare, now open, now concealed." Here, according to Marx and Engels, is the master-key to universal history. Forty years after the publication of the *Manifesto*, Engels, writing an introduction to a reissue of the thing, reiterated his conviction

* Spargo, J., *Socialism* (1906), p. 123.
† Lagardelle, H., *Syndicalisme et Socialisme* (1908), p. 3.
‡ Deslinières, L., *Délivrons-nous du Marxisme* (1923), p. 79.
§ Deslinières, *op. cit.*, p. 129.

as to the validity of the theory. "The whole history of mankind," he said, "since the dissolution of primitive tribal society holding land in common ownership, has been a history of class struggles, contests between exploiting and exploited, ruling and oppressed classes." German Social Democracy officially adopted the class-war theory and embodied it in the *Erfurt Programm* of 1891. Karl Kautsky, expounding the *Erfurt Programm*, placed this theory in so prominent a position that when an American translation was issued, it was published under the title *The Class Struggle*.*

The theory, of course, was not original to Marx. He merely borrowed it, exaggerated it, perverted it, overloaded with error such elements of truth as it possessed, applied it to revolutionary ends. It had been foreshadowed in Linguet's *Theorie des Lois Civiles* (1767); it had been definitely formulated by Babeuf, Buonarroti, and their fellow-conspirators in 1796; Ludwig von Haller had applied it to the interpretation of history in his *Restauration der Staatswissenschaft* (1816); still more extensively had Guizot employed it in expounding the course of French political evolution—he had treated the whole period of the thirteen centuries preceding the Revolution as a conflict between the feudal aristocracy and the bourgeoisie;† it had occupied, as we have already observed, a prominent place in the works of the

* Kautsky, K., *The Class Struggle* (*Erfurt Programm*), translated by L. E. Bohn, 1910. The preface to this work contains the passage: "The program adopted at Erfurt nineteen years ago is still valid, not only for the German Social Democracy, but, with comparatively unimportant modifications, for the international socialist movement."

† Guizot, F. P. G., *Du Gouvernement de la France* (third edition, 1820), pp. 1-2.

early English socialists; finally, it had been displayed in all its revolutionary significance in two books with which Marx was well acquainted—viz., Lorenz von Stein's *Socialismus und Communismus des heutigen Frankreichs* (1842); and Victor Considérant's *Principes du Socialisme* (1843). All that remained, indeed, for Marx to do was, on the one hand, to divest it of all the modifications and limitations that made it rational and defensible, and, on the other hand, having stripped it for action, to convert it from a philosophical theory into a proletarian slogan, and use it to incite the insensate masses to a sanguinary social revolution.

Concerning the Marxian theory of the class war it is necessary, then, to say two things: first, that it is false; secondly, that it is pernicious—"the most poisonous doctrine ever poured into the ears of men; a doctrine involving the deliberate cultivation of hatred and universal strife."* First, it is false. Just as the materialistic conception of history fails to account rationally for the evolution of human society; and just as economic causes are wholly inadequate to explain the great moral, intellectual, and religious movements among men; so does the theory of the class war wholly break down when it is used as a key to interpret the actual course of events. Many periods of history show no class divisions at all; in no period is there a sharp separation between proletariat and bourgeoisie. Not only do proletariat and bourgeoisie freely intermingle and intermarry, but each is subdivided into numerous sections and subsections whose differences are at least as important as those which divide the one group from the

* Shadwell, A., *The Socialist Movement* (1925), i., 180.

other. Further, there are other lines of demarcation among men far more profound and persistent than those of fluctuating and ephemeral social classes—*e.g.*, demarcations of race, nationality, religion, and even political party. Hence there are many other wars than class wars, and many struggles of the highest historical importance, in which the clash of economic interests has been wholly absent. All classes united to vindicate the Cross against the Crescent in the Crusades; all classes united to vindicate English constitutional liberty against the Stuarts in 1642 and 1688; all classes united to vindicate British independence against Napoleon at the beginning of the nineteenth century, and against the German William II. at the beginning of the twentieth. Finally, even when there are real (if not sharply defined) class distinctions, there is not necessarily an irreconcilable conflict of interests. In fact, we may say that there is *never* a real conflict of interests between classes: the true interests of all classes are ultimately one and the same. It is a mistake to see in human history merely a record of war of any sort. The central thread is one of community and of co-operative progress. In short, the theory of the class war is false.

The fundamental falsity of the theory of the class war as a key to the interpretation of history has been clearly, if reluctantly, recognised by all the more rational of recent socialists. Engels himself was compelled to abandon it in its extreme form—the only form, be it remembered, capable of supporting the Marxian superstructure of economic determinism, social revolution, and proletarian sovereignty. He gave it up, not realising the consequences of his surrender, at the same time as he recanted his belief

in the materialistic conception of history. Bernstein and the revisionists much more freely and fully repudiate it. Benedetto Croce in a destructive analysis reduces it to tautological nonsense—"History is a class war only when it is a class war."* But the most complete and whole-hearted denunciation comes from the school of Mr. Ramsay MacDonald. "The class war found its way into the general body of socialist dogma quite simply," says Mr. MacDonald himself. "Marx saw that no proletarian movement could be created in Europe without some passion. The wage-earners had to *feel* the enemy. They had to be marshalled as a class. The theory of economic determinism in history was a theory of a war of classes. . . . But as the determinist argument was modified, the class-war view had to suffer a corresponding modification. When the doctrine of economic determinism was preached in its absoluteness, the class war in all its naked antagonism was a logical corollary; when other than economic factors form the evolutionary drift of society, other motives than those of class interest must form the political parties that are consciously aiding the socialist evolution. When Engels wrote the apologetic confession which I have just quoted [abandoning the materialistic conception of history], he also threw the class war, as it had been understood up to then, out of the armoury of socialist arguments. The idea of the class war no longer represents the motive forces organising socialism and forming the socialist movement. Those who still use it are like those more backward religious communities which express their theologies

* Croce, B., *Historical Materialism* (English Translation· 1914), p. 85.

in the terms used before there was a science of geology."*

Mr. MacDonald admits that the theory of the class war is false; but he thinks that it is insignificant because it "no longer represents the motive forces organising socialism and forming the socialist movement." In this he is mistaken. It still constitutes the active and operative principle of all the really formidable and dangerous socialism and communism in the world. It is a vital element in the creed of the Social Democratic Federation; of the British Socialist Party; of the Syndicalists; of the Independent Workers of the World, and of universal Bolshevism. It has borne its natural fruits in Russia in the massacre of the middle class and the wholesale appropriation of their property. It has been the deadly virus which has resulted in the widespread epidemic of general strikes and social upheavals which have made the twentieth century painfully conspicuous in the history of mankind.

For the class war is not merely false; it is pernicious. It is more than a mistaken theory; it is a causeless and abominable battle cry. It marks the point at which communistic dogma transmutes itself into active revolutionary devilry. If denunciation is pronounced against the man who cries "peace, peace" when there is no peace, what measure can be set to the condemnation merited by those who cry "war, war" when there is no war?

M. Deslinières has a powerful chapter on the class war in his book on Marxism: he dwells at length both on the theoretical falsity and on the practical perniciousness of the dogma, concluding with the words:

* MacDonald, J. R., *The Socialist Movement* (1911), p. 150; *cf.* also Snowden, P., *Socialism and Syndicalism* (1913), pp. 77-81.

"En transportant le socialisme sur le terrain de la lutte de classes, Marx, loin de contribuer à son développement, l'à fait rétrograder d'un siècle."* M. Deslinières, a convinced socialist, laments that Marx, in preaching the class war, has ruined socialism and substituted for it the dictatorship of criminals. Another observer, Professor Kirkaldy, an expert commercial economist, noting the spread of the deadly doctrine in Britain, foretells the ruin of the country unless the evil thing can be exorcised. "People," he says, "who preach class warfare cannot produce a constructive scheme which will give this country the possibility of maintaining, under conditions of comparative comfort, the huge population which now lives within its borders. They have taken upon themselves a great, almost a criminal responsibility."† Professor Flint has pointed out that suicidal class war, social if not economic, was the deep-seated cause of the irremediable ruin of both Ancient Greece and Imperial Rome.‡

## § 8. The Marxian System

### (3) *The Labour Theory of Value.*

The dogma of the class war, not as a theory of history, but as a revolutionary slogan, was Marx's main contribution to the perdition of mankind. Its acceptance as a principle, its adoption as a policy, and its formulation into a programme by the leaders of the deluded proletariat, signalised the definite degradation of socialism from a movement for the consolidation of the community to a movement for

* Deslinières, L., *Délivrons-nous du Marxisme* (1923), pp. 79-95.
† Kirkaldy, A. W., *The Romance of Trade* (1923), p. 257.
‡ Flint, R., *Socialism* (1895), p. 32.

the schism of the community and for the exaltation of one section thereof above the other; it marked the subordination of efforts for the raising of the low to efforts for the dragging down of the high; it indicated the substitution of hate for love, of predatory passion for creative enthusiasm; of sanguinary violence for brotherly co-operation. No wonder, that Deslinières—who remembered with regret the old and kindly (if sentimental and ineffective) socialisms of Saint-Simon and Fourier—cried "Délivrons-nous du Marxisme," and pointed out how unmitigated a curse had been this dogma of the class war.

The two classes into which, in the *Communist Manifesto* and elsewhere, Marx divided the human race were the exploiters and the exploited, the oppressors and the oppressed, the bourgeoisie and the proletariat. Who, precisely, is bourgeois and who proletarian is not easy to determine. To the bourgeoisie are assigned all professional men, all the shopkeepers, all the independent artisans, and all the peasant farmers. Hence the proletariat seems to be limited to the wage workers in the large urban industries. But any member of even this restricted class who ventures to oppose Marxism forfeits his claim to be regarded as proletarian and becomes *petit bourgeois*. Thus in Russia even Trotsky and Zinovieff have ceased to be of the select proletarian minority and have been relegated to the bourgeoisie.* On the other hand, any person—even an aristocrat like Mr. Oswald Mosley—can become a proletarian, or at any rate an honorary proletarian, by becoming a sufficiently violent socialist. Hence the term "pro-

* Marx himself was, of course, bourgeois under any definition of the term. An effort was made to exclude him, as such, from the International Working Men's Association.

letarian" now seems to mean neither more nor less than "a disciple of Karl Marx."

In the communist day of judgment, however, not to be a proletarian, either by nature or by grace, will be to incur irremediable damnation. For, according to a Bolshevik authority, "a bourgeois is a lazy, dangerous, and bloodthirsty creature, who has not the slightest right to live," and the class to which he belongs is "a class of parasites, whose existence is not justified either by biological, moral, or economical laws."*

It is one thing, however, to fulminate against the bourgeoisie, to denounce them as parasites, to condemn them as exploiters, to judge them worthy of death, to prepare to slay them, and (ultimate goal of all Marxian ambitions) to confiscate and annex their property; it is quite another thing to say what is their offence, to show wherein they have wronged the proletariat, and to explain why they have merited sanguinary extinction. Their alleged offence, of course, is, vaguely, in the words of the *Communist Manifesto*, "exploitation open, unashamed, direct, and brutal." But in what does that exploitation consist? What precise injury have they inflicted upon the vengeful proletariat? Above all, what evidence is there of the infliction of any injury at all? The *Communist Manifesto* does not profess to furnish any proof of its wild accusations, or to give any rational justification for its predatory proposals. The problem of proof, however, had ultimately to be faced, and for several years Marx was compelled to rack his brains, and to rummage in the darkest recesses of the British Museum,

* Quotation from Brasol, B. L., *Socialism versus Civilisation* (1920), p. 204.

in order to discover materials out of which to invent the required evidence. The "labour theory of value," with its corollary "the theory of surplus value," was the result of his perverse industry. It is a thoroughly dishonest fabrication, fraudulently concocted out of the exploded errors of a number of antique economists. Marx, with apparent deliberation, involved it in such a maze of obscure and ambiguous verbiage that none but experts can disentangle its convolutions, understand its significance, or expose its radical rottenness. It seems to be, as Mr. Boris Brasol suggests, "a fairy-tale invented for the sole purpose of misleading those who are ignorant."*

Let us now see what this Marxian theory of value is. Marx's own most succinct statement of the theory occurs in the seventh chapter of *Das Kapital*: it runs, in Aveling's translation, "The value of each commodity is determined by the quantity of labour expended on and materialised in it, by the working-time necessary, under given social conditions, for its production." Kautsky expresses the idea in the words: "A commodity possesses value only because homogeneous or general human labour is embodied in it."† Spargo's version is: "The value of commodities is determined by the amount of social labour necessary, on the average, for their production."‡ Gronlund is even less qualified in his assertion of the doctrine: "It is human labour alone," he says, "that creates all real values."§ These quotations, selected out of a countless multitude, suffice to make clear the outstanding points of the dogma—viz., (1) that value

* Brasol, B. L., *Socialism versus Civilisation* (1920), p. 14.
† Kautsky, K., *Economic Doctrines of Karl Marx* (1925), p. 14.
‡ Spargo, J., *Karl Marx* (1910), p. 341.
§ Gronlund, L., *Co-operative Commonwealth* (1886), p. 23.

is a quality inherent in a commodity; (2) that its presence is due to labour alone; that it is in fact "materialised labour"; and, hence (3) that all other alleged determinants of value are negligible. The revolutionary consequences of this doctrine are at once evident. They will be dealt with explicitly in the next section under the heading "Surplus Value." The present question is: What amount of truth is there in this statement that to labour, and to labour alone, all value is due?

Let us, setting Marx aside for a moment, briefly consider this problem of value—the central problem of economics. Now, first, in respect of any and every individual regarded in isolation, the term value, applied to the resources at his command, means *value-in-use*, that is, simply "utility" in the sense of pleasure-giving power. He estimates things—*i.e.*, values them—exactly in proportion as they give him pleasure by satisfying his needs and ministering to his desires. Thus "value" to him—this "value-in-use"—has little or no relation to cost of production, or to the labour required to provide the article in question. The most valuable things, in this sense of the word, are indeed precisely those which cost least—viz., the free gifts of nature, such as air, and water, and daylight. And even of things produced by man the labour cost of production is a negligible factor: the most valued possessions which one has are such things as letters from beloved ones dead, locks of hair, faded flowers, and other relics whose wealth is wholly that of association—things to anyone but oneself utterly worthless. Value, in short, in this individual sense, is purely personal and wholly subjective. The measure of value-in-use in respect of any object whatsoever is merely the amount of

pleasure which the possession of that object gives to its possessor—what it is worth *to him* and to him alone. Thus value-in-use varies from person to person infinitely — *e.g.*, a spectroscope is valueless to a savage; a string of beads (the treasured jewelry of the savage) is valueless to the man of science. It, further, varies from moment to moment in respect of the same person — *e.g.*, heirlooms increase in preciousness as time passes on; newspapers rapidly sink in utility as the day, or even the hour, of their publication recedes. In fine, value-in-use is a purely psychological phenomenon, inhering in the mind of the individual and not in the object towards which that mind is directed.

When a second person appears upon the scene, and wishes to acquire the property of the first, a new problem of value arises—viz., what will be the *value-in-exchange* of the article in question; what must the newcomer give in order that the possessor may be willing to part with his property ? To each of the two persons concerned the article has a value-in-use. In order that the newcomer may render the possessor willing to hand over his property, he must (if he can) offer him something which has to him a superior utility, or pleasure-giving power. In other words, the influences of demand and supply come into operation; the higgling of the market begins; and the ultimate value-in-exchange is the resultant of the conflict between the two rival values-in-use. If, for example, A has many sheep but no fowls, and B has many fowls but no sheep, it may well be that A may be willing (as the result of bargaining) to hand over five of his sheep to B in return for a couple of hundred of B's fowls. The precise terms of the exchange will depend upon the various strengths

of (1) A's unwillingness to part with his sheep; (2) A's desire to possess fowls; (3) B's unwillingness to part with his fowls; (4) B's desire to possess sheep.

When we come to deal with manufactured articles, specially produced in order that they may be sold, a new factor enters into the calculation. Here there is no unwillingness on the side of the manufacturer to part with his goods. On the contrary, he makes them expressly in order to dispose of them; one of his chief concerns is to find a market for them. He *is* unwilling, however, to go on producing them unless he can secure in exchange for them other articles (or services) which yield him satisfactions sufficient, in his opinion, to compensate him for the sacrifice of time, freedom, energy, and material required for the manufacture of the article. In other words, he must cover the cost of production of the article. Cost of production, then, is an important factor in determining the value-in-exchange of goods continuously manufactured for sale. Of what does cost of production consist ? It consists of many elements. In an advanced industrial country, as, for example, Great Britain, it includes such constituents as (1) wages of labour; (2) royalties on inventions; (3) salaries of managers; (4) interest on fixed and circulating capital; (5) insurance against various risks; (6) transport and commercial charges ; and occasionally (7) rent and other payments for the use of land.

We may sum the matter up by saying that, in respect of manufactured goods, value-in-exchange is a function of two variables—viz., (1) *demand*, the active principle of which is utility, or pleasure-giving power; and (2) *supply*, the active principle of which is cost of production, or the disutility

involved in providing the article or service in question. It is, I think, possible to contend that in every case of exchange both factors are present. In some cases, however, *demand* is the more prominent determinant; in other cases *supply*. For instance, *demand* is immeasurably the more important determinant of value-in-exchange in the case of (*a*) things the supply of which cannot be increased, such as pictures by Leonardo da Vinci or first folios of Shakespeare's works; (*b*) monopolies—*e.g.*, patent medicines—and (*c*) things generally within short periods—periods too short for supply to adjust itself to changed demand. On the other hand, *cost of production* is the more obvious determinant of value-in-exchange in the case of (*a*) articles capable of indefinite increase; (*b*) commodities in large and steady demand, such as bread and coal; and (*c*) things generally over long periods—periods long enough to allow supply to adjust itself to demand. But cost of production is *never* the sole determinant of value. You might reduce the cost of production of sedan-chairs, crinolines, and countless other obsolete commodities, to the lowest conceivable minimum, and they would still remain worthless and unsaleable. There *must* be some demand for them before they can acquire any value whatsoever. Value, in short, to the very end remains fundamentally a psychological phenomenon; it inheres in the mind which desires, and not in the commodity which is the object of desire. As Mr. Dooley once wisely remarked: "Ye say 'tis valuable because ye spent yer days and nights making it for me. But the value of anything is how much I'll be wanting it."*

* Quoted Stamp, J., *The Christian Ethic as an Economic Factor* (1926), p. 60.

Now we may ask: How does the Marxian or labour theory of value accord with the facts of the case? The answer obviously is that it does not accord with them at all, but is radically and irremediably false. There is no need to linger upon the point. Suffice it to say that the labour theory of value involves two propositions, both of which are entirely untenable. The first is that cost of production is the only determinant of value; the second that the only active element in production is labour, and that consequently the wage of labour is the only justifiable element in determining cost of production. The first proposition wholly ignores the vital factor of demand as a determinant of value; the second wholly ignores all the factors of production except labour. The absurdity of the labour theory of value, stated thus succinctly, is so patent and so appalling that Marx himself was compelled to conceal its naked monstrosity by clouds of Hegelian vapour. He plays upon the word "commodity" until it loses all recognisable features. He juggles with the word "labour"—abstract labour, concrete labour; skilled labour, unskilled labour; manual labour, mental labour; human labour; homogeneous labour; socially necessary labour; average labour; general labour; and so on indefinitely—until the most devoted and most diligent Marxians (*e.g.*, Kautsky and Trotsky) tear one another to pieces in contradictory assertions as to what Marx means. "It is possible," said one despairing socialist—and probably many more than one—"to prove anything from Marx."*

Marx's labour theory of value was, as we have noted, expounded in the first volume of *Das Kapital*,

* *Times Lit. Sup.*, June 18, 1925. *Cf.* also Bernstein, E., *Evolutionary Socialism* (English Translation, 1909), p. 25.

which was published in 1867. Its crudities and contradictions, its flagrant omissions and baseless assumptions, were at once evident to all economists who were skilful and persevering enough to work their way through Marx's maze of concealing verbiage. When the apparent absurdities of the theory were pointed out, Marx, and after him Engels, begged for a suspension of judgment until the completion of the publication of the great work: a triumphant vindication of the doctrine was promised. In the posthumous third volume, published in 1894, the attempt at a vindication was made. To the consternation of the faithful the attempted vindication proved to be a virtual abandonment of the theory: it was admitted to have no relation whatsoever to the actual facts of the industrial and commercial world.* It was a mere scholastic exercise, mediæval in its immaturity and aloofness from reality, belonging properly to the period anterior to Saint Thomas Aquinas.† And yet this false, and now abandoned and derelict, theory had been made for more than a quarter of a century (1867-94), on the one hand, the chief weapon in the Marxian attack upon capitalism, and on the other hand, the corner-stone of the Marxian economic structure !

When the amazement caused by the publication of the third volume of *Das Kapital* had subsided, the floods of criticism—both socialist and non-socialist—were let loose, and the theory was completely swept out of the sphere of economic science.‡

* *Das Kapital*, vol. iii., especially chapter vii. (Appendix).

† O'Brien, G., *Essay on Mediæval Economic Teaching* (1920), p. 111. "Marx had not got so far as Aquinas in the analysis of value."

‡ The best discussions and refutations of the Marxian theory of value are those of Böhm-Bawerk, E., *Karl Marx and the*

"The labour theory of value," says Dr. Niles Carpenter, "has long since been cast into the lumber-room of economic theory, along with the canonist doctrines of interest, the wage-fund theory, and other venerable fallacies."* To the same effect, Professor Simkhovitch writes: "There are few theories that have been so carefully examined, so thoroughly sifted, and so completely condemned upon their own documentary evidence as Marx's theory of value. And since the appearance of the third volume of *Das Kapital* we have in our hands what may be called a signed confession of Marx and Engels to the effect that this theory is a futile construction."† Again: "The third volume finally appeared. It is a most important document, because it forever disposed of the famous exploitation theory of value. It is a signed admission that the theory is worthless. Not only is Marx compelled to abandon it, but the way in which he does so is forced and graceless. He shifts his ground and abandons in all haste not only his theory of value, which is untenable, but also his historical method, which would have ensured even to his failure the renown of a great attempt. Professor Loria asked, after reading this third volume of *Das Kapital*, if there ever was a more complete *reductio ad absurdum*, a greater theoretical bankruptcy, or if a scientific suicide was ever committed with greater pomp and solemnity."‡

Now, since this abandoned and derelict labour

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*Close of his System* (English Translation, 1898), and Joseph, H. W. B., *The Labour Theory of Value in Karl Marx* (1923).

* Carpenter, N., *Guild Socialism* (1922), pp. 237-238.

† Simkhovitch, V. G., *Marxism versus Socialism* (1913), p. 254.

‡ Simkhovitch, *op. cit.*, p. 265.

theory of value is not a mere ornament of the Marxian edifice, but the very corner-stone of the whole economic structure—the basis of the doctrine of surplus value; the ground of all the fulminations respecting capitalist exploitation; the justification of the class war; the vindication of the social revolution—it is well to see, even at the risk of much weary repetition, what leading socialists have said about it since its abandonment. Truly, the stone which was the head of the corner has been rejected, not only by the builders, but also by the house-breakers. (1) *Vorwärts*, the leading organ of German socialism, says that the Marxian theory of value—the doctrine that labour is the only constituent in value—is "comparable to the doctrine of Thales that the universe is nothing but different forms of water."* (2) Eduard Bernstein, the revisionist, dismisses it as "a subjective conception," as "an abstract image, like the philosophic atom"; admits that it "does not apply to the individual exchange of commodities at all"; and confesses that it "gives a norm for the justice or injustice of the partition of the product of labour just as little as does the atomic theory for the beauty or ugliness of a piece of sculpture."† (3) Dr. M. Tugan-Baranowsky, another leading revisionist, is still more directly critical. "Notwithstanding," he says, "the mental power applied by Marx to the creation of his scientific system, and the significance of the attained results in the sphere of practical politics, the theory of surplus value, as formulated by him, must absolutely be repudiated by science. . . .

* Quoted Mallock, *Limits of Pure Democracy* (1918), p. 110.

† Bernstein, E., *Evolutionary Socialism* (English Translation, 1909), pp. 38-39, and article *Marx* in Enc. Brit., second edition, (1911).

Labour is *not* the substance of value. By recognising labour as the substance of value, Marx fell into an irrefutable contradiction with facts," so that "if there is any question in which the enemies of socialism are sensible of their consummate victory, it is the question regarding the theory of value. Here the fighting has practically come to an end."* (4) The devoted Marxian, Mr. Beer, is constrained—with what agony who can surmise?—to call the Marxian theory of value a "philosophical fiction," and to declare that "it is impossible to set aside the view that Marx's theory of value and surplus value has rather the significance of a political and social slogan than of an economic truth"—in other words, that it is a lie which is useful only to unscrupulous agitators as a means to incite the ignorant to unjust spoliation and violence. "It will," says Mr. Beer complacently, although false, "for long have the force of truth for the masses and will continue to move them."† Rarely can there have been a more brazen and cynical avowal of pragmatic opportunism—the advocacy of the propagation of admitted falsehood on the ground that it serves some useful practical purpose; that it acts as a stimulant, or an opiate, to the proletariat. (5) Mr. Ramsay MacDonald agrees that the "dictum that all wealth is created by labour is not exactly true," and that the labour theory of value "does serious violence to the ordinary use of language."‡ One wonders to what extent this gentle repudiation of the doctrine would have been fortified with ex-

* Tugan-Baronowsky, M., *Modern Socialism* (English Translation, 1910), pp. 52-55.

† Beer, M., *Life and Teaching of Karl Marx* (English Translation, 1924), pp. 129-131.

‡ MacDonald, J. R., *Socialism* (1907), p. 55, and *The Socialist Movement* (1911), p. 61.

pletives if the doctrine had been advanced by Mallock instead of by Marx. (6) Mr. Philip Snowden frankly avows that, in formulating their theory of value, Marx and Engels erred, but he tries to excuse them on the ground that "they erred in very distinguished company."* (7) Mr. G. D. H. Cole, the quondam guild-socialist, describes the theory as "to a great extent a polemic which continues to thrive as a result of the persistent misunderstanding of it by Marx's own disciples."† (8) Professor H. J. Laski writes: "Upon Marx's theory of value it is not necessary to spend much time. It has not stood the test of criticism; it is out of harmony with the facts, and it is far from self-consistent." Again: "The Marxian theory of value seems clearly untenable, not less on theoretic grounds than from an analysis of the facts of business."‡ (9) Finally, Dr. A. D. Lindsay, in a recent valiant effort to rehabilitate Marx—an effort in which he succeeds in damning him as an agitator in exact ratio as he succeeds in vindicating him, or rather explaining him away, as a thinker—makes the damaging admissions that the labour theory of value is "the weak point of Marxianism"; that it is *not* "an account of how market prices are actually determined"; that "it is concerned as much with what ought to be as with what is"; that it is "a first crude generalisation which has been supplemented in later theory by the analysis of the part played in the determination of prices by other factors than labour"; that it is "misleading"; that "it does not state plainly that it is concerned not with actual but with ideal prices"; that "it certainly

* Snowden, P., *Socialism and Syndicalism* (1913), pp. 73-74.

† *Highway*, February, 1915.

‡ Laski, H. J., *Karl Marx*, pp. 27-30.

needs qualifications," and so on.* He proceeds to qualify it out of all recognition as a Marxian theory!

Dr. Lindsay alludes to "the part played in the determination of price [that is, of value measured in terms of money] by other factors than labour." It is Marx's perverse refusal to recognise these other factors, rather than his blind ignorance of the function of demand in determining value, that makes the Marxian dogma so positively pernicious. For it means that without any rational justification, and with the most disastrous results, Socialist-Labour, whenever it attains to any sort of power, refuses to give adequate rewards to inventiveness, talent, organising ability, managerial skill, business capacity; that it encourages unskilled manual workers to make exorbitant claims both for wages and control; and that it altogether denies to capital—the very life-blood of industry—those just returns without which it will not be forthcoming. It is impossible to exaggerate the magnitude of the evils which the inculcation of Marx's false doctrine of value has inflicted upon the working classes. It has been an unparalleled blight upon the industry and enterprise of the world.†

* Lindsay, A. D., *Karl Marx's Capital* (1925), pp. 53-80.

† I should have liked, if space had permitted, to trace the history of the labour theory of value from Montcrétien (1615) and Chamberlen (1649), through Hobbes, Petty, Locke, Adam Smith, Ricardo, Thompson, Hodgskin, Bray, Sismondi, Proudhon, Rodbertus, Owen, McCulloch, and others, to Marx and his disciples. I must, however, content myself by referring my readers to Dr. A. C. Whitaker's able monograph, *History and Criticism of the Labour Theory of Value* (Columbia University Press, 1904).

## § 9. The Marxian System

### (4) *The Theory of Surplus Value.*

The Marxian theory of value which we have just disposed of—equally false as a dogma and pernicious as a slogan—has well deserved the condemnations which rational thinkers have heaped upon it. Professor Flint speaks of it as "a mass of congealed fallacies," and ends a destructive criticism of its numerous errors with the words: "What rubbish! What poor dialectic jugglery! And *this* is what socialists take for invincible logic."* Mr. Mallock pungently, but quite justly, calls it "the greatest intellectual mare's nest of the century which has just ended."† Mr. Ellis Barker dismisses it as "untenable and absurd."‡ Dr. Schäffle declares that it "rests upon superstition and upon a wholly superficial misconception of facts."§ Professor Graham concludes a long argument with the words: "The Marxian theory of value, and theoretical basis of socialism, is vicious as a theory and inapplicable in practice."‖ It is much worse, however, than merely "inapplicable" in practice: it is positively and actively obnoxious and anti-social. As Mr. Joseph well remarks: "The widespread acceptance of it among the labouring classes is doubly mischievous. On the one hand, it makes their justified resentment at the working of the economic order take the form

* Flint, R., *Socialism* (1895), pp. 107, 143.

† Mallock, W. H., *Critical Examination of Socialism* (1908), p. 18.

‡ Barker, J. E., *British Socialism* (1908), p. 52.

§ Schäffle, A., *Impossibility of Social Democracy* (English Translation, 1892), p. 79.

‖ Graham, W., *Socialism New and Old* (1904), p 212.

of denouncing one definite alleged injustice; and this gives heat rather than light to their examination of schemes of reform. On the other hand, it exasperates those whom they attack by the injustice of the particular allegation."*

Now the reason why this false neo-scholastic dogma of value is so actively and positively pernicious as it has proved to be, is because it is the basis for the supplementary doctrine of "surplus value" which professes to inform the proletariat how they have been, and are being, exploited by the capitalists. This corollary of the labour theory of value, this doctrine of "surplus value"—derived by Marx from the early English socialists,† but developed by him in enormous detail and placed in an altogether novel prominence—is the poisonous error whose venom inflames the proletarian blood, stirs the proletarian spirit to the class war, and precipitates the social revolution. It tells the wage-earner the festering lie that he is always and necessarily being robbed by his employer, and that his employer is therefore always and necessarily his enemy.

Let us note how Marx and his followers state and apply this "surplus-value" fallacy. So fundamental is this fallacy to the Marxian polemic that more than one-half of the first volume of *Das Kapital*—chapters vii. to xxii. inclusive, pages 155-575 in the English edition—is devoted to its implication

* Joseph, H. W. B., *The Labour Theory of Value in Karl Marx* (1923), p. 5.

† "The real discoverers of the theory of surplus value are Godwin, Hall, and especially Thompson. The whole theory of surplus value, its conception, its name, and the estimates of its amount are borrowed in all essentials from Thompson's writings." —Menger, A., *The Right to the Whole Produce of Labour* (English Translation, 1899), p. 101.

in mystery, in the process of which the loftiest heights of mathematical unintelligibility and metaphysical obscurity are attained. In this maze of cloudy verbiage and deceptive formulæ the nearest approach to lucidity occurs in chapter vii. (p. 176), where Marx says: "If we now compare the two processes of producing value and of creating surplus value, we see that the latter is nothing but the continuation of the former beyond a definite point. If, on the one hand, the process be not carried beyond the point where the value paid by the capitalist for the labour-power is replaced by an exact equivalent, it is simply a process of producing value; if, on the other hand, it be continued beyond that point, it becomes a process of creating surplus value." This passage has, at least, the merit of indicating the vital dependence of the theory of surplus-value upon the labour theory of value. But it does not—nor does any other specific passage with which I am acquainted—state simply and definitely what, in the Marxian conception, surplus value is. Perhaps Marx thought that, although the validity of the idea takes a great deal of demonstration, the idea itself is so simple as to require no definition. Nor, indeed, is it recondite. "Surplus value" is merely, in Marxian phraseology, the difference between the value of the wages which a labourer receives and the value of what he produces—which, according to the Marxian theory, is the whole product. An example, taken from a pamphlet issued by the Glasgow branch of the Plebs League in celebration of the centenary of Marx's birth, makes beautifully clear what the faithful understand by this. "The Marxian theory of value," runs the pamphlet, "is very important to the workers, for from that theory flows the theory

of surplus value, the crowning-point of Marxian economics. Say that the worker receives in wages £2 per week for forty-eight hours' labour, and let us suppose that the things he makes realise on the market £8. Then we have a difference of £6 between the value of the worker's labour-power and the value of the things he has produced. This £6 the kind capitalist pockets as if he had a right to it. From whence comes this £6, this surplus ? All the value represented by the £8 was created by the worker, but under the conditions of wage-slavery the worker is forced to give the hours of surplus value to the capitalist. This surplus value appropriated by the capitalist comprises rent, interest, and profit."* According to these wholly imaginary and arbitrary figures only one-fourth of the selling price of the unspecified article in question goes to wages: in actual life wages represent nearer three-fourths of the cost of production of most commodities. Much more monstrous, however, is the assertion that nothing whatsoever should be deducted from the selling price to cover cost of raw material, or to contribute towards the cost of buildings, machinery, office organisation, management, design, transport, marketing, or any other of the countless services essential to the complete production of the article—that is to say, to the placing of it in the hands of the consumer. All charges other than the £2 which the worker receives as wages are (according to this outrageous theory) "appropriations by the capitalist," robberies from the unhappy "wage-slave"! Well does Mr. Harold Cox speak of this doctrine as "the Marxian madness." It would be easy to apply precisely the same argument to show that

* Quoted from Cox, H., *Economic Liberty* (1920), pp. 34-35.

cows ought to receive the whole produce of the dairy; that hens should receive the whole produce of the fowl-run; and that horses should receive the whole produce of a carter's business—for what is a cart but inert capital that can do nothing without the horse; and what is a carter but a lazy bourgeois sitting in state on a box, being transported by horse-labour to which he contributes nothing, and daring (ungrateful wretch) now and again to apply a whip to the oppressed oat-slave!

Mr. Laurence Gronlund, a whole-hearted and aggressive Marxian, is naïvely free from ambiguity in formulating the same amazing surplus-value dogma. Says he: "The workers receive only about half of what they produce—just enough to keep up life and strength and bring up a new generation of labourers—while the other half stealthily passes into the pockets of quite another class of men. . . . The surplus arises because the labourer gets only about half of what he produces. . . . We have no more use for the vague word 'surplus.' We are now entitled to call it by the appropriate name—*fleecings*. . . . 'Surplus' is the same as *fleecings*—viz., the difference between the price of labour and the price of labour's produce."* The 25 per cent. in wages of the Plebs League has gone up to 50 per cent., but otherwise the statement is the same: everything received in rent, interest, profit, is *fleecings* from labour—and primarily, if not exclusively, from manual labour, from the proletariat, from the class which receives only "just enough to keep up life," etc.

Engels regards the discovery of this mare's nest as Marx's main contribution to economic science.

* Gronlund, L., *Co-operative Commonwealth* (1886), pp. 26-30.

It revealed, he says, "the essential nature of the capitalist system," and showed that "the appropriation of unpaid labour is the basis of the capitalist mode of production, and of the exploitation of the worker that occurs under it."* It is, indeed, the dominant idea behind the social revolution; it provides (if it is true) the economic and ethical justification for the confiscation which is the real end of the Marxian propaganda; it is the high explosive of the class war. This fact is generally recognised. "This doctrine," says Simonson, "is the very heart and marrow of the socialist attack on the present system of production and distribution."† Spargo concurs: "The surplus-value theory," he writes, "is the scientific groundwork of all the social theories and movements protesting against, and seeking to end, the exploitation of the labouring masses. It is the foundation principle of the modern political socialist movement."‡ Professor Graham, similarly, considers that this surplus-value dogma is "the central issue in the whole socialist controversy, because on it rests German socialism, and, indeed, all modern socialism."§

But the surplus-value theory is not only fundamental to Marxism; it is also false. It is a thoroughly

* Engels, F., *Socialism, Utopian and Scientific* (English Translation, second edition, 1920), p. 43.

† Simonson, G., *Plain Examination of Socialism* (1900), p. 84.

‡ Spargo, J., *Socialism* (1906), p. 203. *Cf.* also Leroy-Beaulieu, P., *Le Collectivisme* (fifth edition, 1909), p. 262, and Deslinières, L., *Délivrons-nous du Marxisme* (1923), pp. 70-74.

§ Graham, W., *Socialism New and Old* (1904), p. 139. *Cf.* also Lindsay, A. D., *Karl Marx's Capital* (1925), p. 115. An excellent example of the way in which this surplus-value dogma is worked by agitators can be found in Henderson, F., *Case for Socialism* (1924), pp. 27, 30, 39, 41, 94.

rotten foundation incapable of bearing the weight of even the lightest criticism. The statements and illustrations already quoted from Marx himself, and from other socialist writers, carry on their face their own refutation. They are impudent in their flaunting antagonism to obvious fact. It is not true that labour—however the term may be defined—is the only creator of wealth or the sole source of value: much wealth of inestimable value (*e.g.*, coal) is the free gift of nature, and capital as well as labour plays a vital and indispensable part in its procuration and development. It is not true that manual labour, proletarian labour, the labour with which Marx is primarily concerned, is even the most important factor in modern industry: it is, indeed, a factor of increasing insignificance. Machines, which are the crystallised intellect of a handful of inventors, rather than the embodied toil of many manual labourers, are supplanting it. Engels himself, in one of those naïve confessions that he so frequently made after the restraining hand of Marx had been removed, said (A.D. 1892): "The perfecting of machinery is making human labour superfluous."* Moreover, infinitely more essential than manual labour to-day in the creation of wealth is the skill, the knowledge, the enterprise, the organising power, of the "captain of industry," the *entrepreneur*. The helplessness of leaderless labour is clearly shown in the collapse of the syndicalists who seized the Milanese factories in 1920, and in the necessity that compelled the Bolshevist communists, who had robbed and murdered the Russian capitalists in 1917, to call in, five years later, other capitalists

* Engels, F., *Socialism, Utopian and Scientific* (fifth edition, 1920), p. 60.

from abroad, to enable them to make use of the stolen property. Again, it is not true that rent of land, interest on capital, profits of commerce, are unjust appropriations from the earnings of labour: they are proper and necessary payments for indispensable services duly rendered. It is not true that labour is exploited in the way in which the dogma of surplus value says it is. In short, the whole fantastic rigmarole is a figment of the diseased imagination of Marx and other similarly passion-blind fanatics. It falls to the ground with the crumbling of the labour theory of value on which its crazy edifice is erected.

The revisionists, of course, abandon it as derelict. Eduard Bernstein, for example, says that, since it is dependent upon the exploded theory of value, it becomes "a pure formula—a formula which rests on a hypothesis" which has proved to be unsound.* M. Deslinières says of this "fameuse théorie de la plus-value" that "malgré l'apparente rigueur des arguments qui l'étayent, elle est complètement fausse,"† and he proceeds in eight masterly pages to demonstrate its crude absurdity. Dr. A. D. Lindsay, with evident regret, admits that the doctrine, as stated by Marx, "is indefensible"; that it "can be shown from Marx's own admissions to be unsound"; that "Marx has overstated his case"; and that "the overstatement has done Marx's case much harm."‡ Professor H. J. Laski, in his eminently sympathetic essay on Marx, concludes an illuminating exposure of the weakness of

* Bernstein, E., *Evolutionary Socialism* (English Translation, 1909), p. 30.

† Deslinières, L., *Délivrons-nous du Marxisme* (1923), p. 70.

‡ Lindsay, A. D., *Karl Marx's Capital* (1925), pp. 89-90.

Marx's logic and the groundlessness of his assumptions by saying: "It is unnecessary to dwell at any length upon the fallacies implicit in this analysis."* No doubt it *is* unnecessary for scholars like Professor Laski. But what of the ignorant alumni of the Labour Colleges and the Plebs League who continue to be poisoned perpetually by these very same decayed fallacies? Nothing is more necessary than that they should be dwelt on and displayed in all their naked falsity. For they are the illusions and the lies which are the veritable motive force behind the insensate passions of the misguided unfortunates who are the rank and file of the army of the social revolution. Mr. Bertrand Russell well describes the surplus-value doctrine (which, of course, he rejects) as "not a contribution to economic theory so much as a translation of hatred into abstract terms and mathematical formulæ."†

Mr. W. H. Mallock devotes much care and wide knowledge to the destruction of this Marxian mare's nest in his *Limits of Pure Democracy* (1918). So, too, Dr. A. Schäffle, in his *Impossibility of Social Democracy* (English Translation, 1892), concludes an effective demolition of the theory with the words (p. 81): "This whole story of the capitalist-robber's appropriation of the increment, when more closely examined, turns out to be entirely baseless." Professor W. Graham disposes of the theory in an important section (pp. 139-151) of his *Socialism New and Old* (1890). Mr. Boris Brasol, after having dispassionately examined Marx's arguments, decides that "it would be hard to find so extreme a case of disingenuous reasoning in the whole history of

* Laski, H. J., *Karl Marx* (1922), p. 28.

† Russell, B., *Roads to Freedom* (1918), p. 38.

economic science."* Dr. O. D. Skelton, in his able and impressive book on *Socialism* (1911), having noted and criticised the virtual abandonment of the theories of value and surplus value by Marx and Engels themselves in the third volume of *Das Kapital*, remarks (p. 134): "If the theory of value and the theory of surplus-value exploitation are merely hypotheses which do not correspond to reality, the whole popular propaganda of Marxism is built on a sham, and the millions of working men who have been told by press and pamphlet and platform orator that here was the scientifically discovered key to all their ills have been fed on an empty scholastic exercise." It is, indeed, worse than a "scholastic exercise": it is, as Laveleye calls it, a "nightmare . . . a skilful tissue of error and subtleties" deliberately woven to deceive the unwary and to mislead the ignorant.†

## § 10. The Marxian System

### (5) *The Social Revolution.*

Since the Marxian theory of value and its corollary, the theory of surplus value, are so completely discredited today, and so entirely abandoned by all intelligent persons as we have seen they are, it might, at first sight, seem needless to pursue the matter further, or to say anything concerning the social revolution which is to be the result of the frenzied efforts of the proletariat to capture the will-o'-the-

* Brasol, B., *Socialism versus Civilisation* (1920), p. 91.

† Laveleye, É., *Socialism of To-day* (English Translation, 1884), p. 32. For an excellent brief discussion of the theory of surplus value see Slater, F. R., *Karl Marx and Modern Socialism* (1921), pp. 85-102.

wisps which these theories engender. But, unfortunately, the underworld is not moved by reason. The disproof of the Marxian creed has not led to any appreciable diminution of the Marxian propaganda. Marxians, like other fundamentalists, redouble their fury as the foundations of their irrational system crumble beneath them. Communists, syndicalists, guildsmen, and left-wing socialists continue to proclaim the exploded Marxian dogmas, and to pursue the Marxian fantasies; because the Marxian fantasies, and they alone, give the desired economic and ethic justification of the spoliation which these revolutionaries intend. Their passions—cupidity, acquisitiveness, jealousy, envy, hatred, malice, and malignancy; mingled sometimes, it is true, in misguided men like Mr. George Lansbury, with more humane and less individualistic emotions—their passions, I say, and not their intellects, are their guides and dictators. How potent are these passions, when incited and influenced by the Marxian virus, was manifested by the orgies of unrestrained and blatant crime—robbery, sacrilege, bestiality, spoliation, merciless cruelty, wholesale murder—which signalised the communist upheavals of 1917-20 in Russia, Germany, Austria, Hungary, Bulgaria, and elsewhere. That the same devilish passions would have the same diabolical consequences in this country cannot be doubted by anyone who is acquainted with either the native or the imported Marxian propagandists in our midst. Well says Mr. Graham Wallas: "Anyone who has had much intercourse with those British or American artisans who have formed their habits of thought on popular expositions of Marxianism, must have met men and women who, if they were in power, would feel themselves bound

to show the same kind of scientifically conscientious ruthlessness as Lenin or Trotsky."* What, indeed, could be expected from the frenzied disciples of the man who wrote: " We are ruthless and want no consideration from you. When our turn comes, revolutionary terrorism will not be sugar-coated. . . . There is but one way of simplifying, shortening, concentrating the hideous death agony of the old society, as well as the bloody labour of the new world's birth—viz., revolutionary terrorism " ?†

What, then, we must ask, is the course of the social revolution as it is envisaged by Marx and his terrorist disciples ? Marx himself is never more confident than when he is prophesying; for the corollary of the materialistic interpretation of history is an economic determinism which indicates positively, not what *may* be, but what inevitably *must* be the outcome of modern capitalism. He predicts (*e.g.*, in the *Communist Manifesto* and in chapter xxxii. of the first volume of *Das Kapital*) (1) the continued concentration of capital in fewer and fewer hands; (2) the disappearance of the middle-class, a fraction ascending into the ranks of the magnates, the immense mass being engulfed in the proletariat; (3) the increasing poverty, destitution, and misery of the proletariat, culminating in (4) ever more aggravated industrial crises; (5) the revolt of the wretched, driven frantic by suffering; (6) the seizure of power by the rebels, and the social revolution. All this is to take place according to " the immanent laws of capitalist production." According to these immanent and immutable laws, " centralisation of the means of production, and socialisa-

* Wallas, G., *Our Social Heritage* (1921), p. 245.

† Marx in *Die neue Rheinische Zeitung*, May 19, 1849.

tion of labour, at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated."* What precisely will succeed this orgy of loot does not appear. Sufficient for the proletariat to be led by a benevolent determinism (the materialistic substitute for providence) to the preliminary plunder. No "gates ajar" reveal the appointments of the everlasting thieves' paradise beyond. When Lenin had achieved his preparatory spoliation of the Russian capitalists and landowners, he was much embarrassed by the absence of Marxian instructions as to what he should do next. Who in the new society is to own the means of production? How is industry to be organised and controlled? On what principle are workers to be remunerated—according to service, or according to need? What is to be the supreme political authority, and in whom is it to reside? Such are the vital problems of pressing importance which Marx leaves his fanatic followers to fight out endlessly over their spoils, so long as these spoils suffice to maintain them.

Now concerning the Marxian prophecies, it is hardly necessary to say that they have all been signally falsified by the course of events. The "hideous death agonies" of capitalistic society, which Marx wished to abbreviate by violence in 1849, have not even yet so much as begun; and even the growing-pains of capitalism (which Marx wrongly diagnosed as death agonies) are much less severe now than then, in spite of the aggravations and prolongations due to the application of the Marxian quack-remedies.

* *Das Kapital* (English Translation, 1886), p. 789.

(1) *The predicted concentration of capital has not taken place.* It is true that great businesses have grown greater; but it is not true that small businesses have decreased in number; on the contrary, they too have increased. Further, although the great businesses—trusts, combines, cartels, and so on—involve concentration of management, they do not involve what Marx predicted—viz., concentration of capital; on the contrary, they provide admirable investments for an immense multitude of small capitalists, and the number of small capitalists daily grows greater.* Above all, in agriculture no concentration of any sort has taken place: large estates have everywhere tended to break up, and peasant proprietors have steadily refused to sink into the proletariat.† As Mr. Skelton pithily says: "The farmer and Hegelian dialectics follow different paths."‡

(2) *The middle class has not disappeared, or tended to disappear.* On the contrary, in every advanced capitalist country, in exact ratio as it has escaped the blight of Marxism, the middle class, the very backbone and stay of a nation, has increased in numbers and in prosperity. It has been recruited from skilled artisans, from thrifty labourers, from

* Skelton, O. D., *Socialism* (1911), p. 165, quotes figures for France as follows, and they may be taken as typical of all advanced capitalist countries: shareholders in the Bank of France, 31,249; in railways, over 700,000; holders of government annuities, over 2,000,000.

† For facts and figures illustrative of the falsification of this first Marxian prophecy see Bernstein, E., *Die Voraussetzungen des Socialismus* (1889); Guyot, Y., *Socialistic Fallacies* (English Translation, 1910), pp. 137-141; Simkhovitch, V. G., *Marxism versus Socialism* (1913), pp. 47-97; Salter, F. R., *Karl Marx and Modern Socialism* (1921), pp. 131-137; Deslinières, L., *Délivrons-nous du Marxisme* (1923), pp. 100-111.

‡ Skelton, O. D., *op. cit.*, p. 163.

the children of the proletarians who have taken advantage of the education open to them, from countless other sources where individual enterprise has been unfettered by socialist folly. "It is beyond doubt," says Tugan-Baranowsky, "that Marxian expectations have not come to pass," but that "the number and income of the middle classes is continually on the rise."* (3) *The misery of the proletariat has not increased.* On the contrary, the condition of the proletariat, in spite of its insane tendency to excessive reproduction of its kind, is immensely more comfortable than it was even in Marx's time, when it was far better than it had been a generation earlier. "No social fact," says Mr. Skelton, "is better established than that the forty years which have passed since Marx penned his dismal forecast have brought the working classes in every civilised country, not increasing degradation, misery, and enslavement, but increasing material welfare, freedom, and opportunity of development," and he proceeds in half a dozen conclusive pages to present statistics which amply demonstrate the gulf which separates historic fact from Marx's prediction.† Indeed, so patent is the refutation of the Marxian prophecy by the course of events that few socialist writers attempt to vindicate it in its literal sense; most of them, in their futile efforts to escape its obvious meaning, remind one of modernists trying to explain away some unmistakable, but wholly untenable, dictum of

* Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), pp. 81-82. For detailed facts and figures see an excellent chapter in Simkhovitch, *op. cit.*, pp. 70-97.

† Skelton, O. D., *op. cit.*, pp. 147-154. Mr. Skelton's statistics relate to (1) wages, (2) consumption, (3) free public services, (4) health, (5) housing, (6) savings.

mediæval theology. Engels himself, apparently not perceiving that he was abandoning a key-position of communism, repudiated it in 1892. Concerning certain large classes of labourers, he regretfully admitted that "their condition has remarkably improved since 1848"—regretfully, because, though they are far happier than they were, they have ceased to be social revolutionaries!* For the realisation of Marxism it is necessary that the working class should be, should remain, and should increasingly become, miserable. Marxism is the outcome, not of evolution and reform, but of despair and revolution. It is in its very essence opposed to amelioration. Its fundamental tenets compel it to foster misery, increase strife, foment disorder, ruin industry, disturb commerce, prevent reform; lest peace and prosperity postpone the catastrophe on which its hopes depend. In spite, however, of all that Marxism has done to depress the condition of the proletariat, its condition—thanks to the achievements of capitalism—have continued to improve. "It is evident," says Tugan-Baranowsky, "that the theory of pauperisation in its original form cannot be countenanced by any serious economist. . . . The standard of life of the working classes is, at present, higher than it was half a century ago. It is doubtful, indeed, whether anyone could resolve upon defending the theory of pauperisation as expounded in the *Communist Manifesto* and *Das Kapital*."† Simkhovitch, in two overwhelming chapters, not only disperses the "increasing misery" phantasm by a conclusive

* Engels, F., *Condition of the Working Class* (second edition, 1892), p. xv.

† Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), pp. 77-78.

array of authentic and indisputable facts, but also collects an impressive set of quotations from both Marxian and Revisionist socialists, showing how all alike have been forced to retreat from a position which is patently indefensible.* The utmost that they can do is to hope that things may take a turn for the worse, and may ultimately become bad enough to vindicate Marx's pessimistic prediction. "The Marxian forecast," says Mr. Ramsay MacDonald, "was unfortunate in its moment of publication. . . . A vast expansion of commerce was imminent. Never had commerce leaped forward with such bounds as it did in the middle of the nineteenth century, and the working classes shared in the general increase in wealth. . . . We are better clothed than our grandfathers; we are better housed than they; we have a wider choice for consumption than they had."† (4) *Commercial crises have not increased in either frequency or intensity*, as Marx prophesied they would. According to the *Communist Manifesto*, they were destined " by their periodical return " to " put on its trial, each time more threateningly, the existence of the entire bourgeois society, paving the way for more extensive and more destructive crises," and so on, until the final apocalyptic upheaval. This prediction has not been fulfilled. Engels himself, after the death

* Simkhovitch, V. G., *Marxism versus Socialism* (1913), pp. 98-146. *Cf.* also Barker, E., *British Socialism* (1908), p. 58. "The German socialists have been honest enough to abandon the doctrine of increasing misery under the guidance of Bernstein; the Dutch, guided by Vandervelde, their foremost leader, have seen its absurdity; the French have dropped it, under the guidance of Sorel."

† MacDonald, R., *The Socialist Movement* (1911), pp. 92-93. For a good brief summary of the whole question see Salter, F. R., *Karl Marx* (1921), pp. 137-141.

of Marx, admitted the falsification. In the third, posthumous, volume of *Das Kapital* (1894) he wrote: "The old breeding grounds of crises and opportunities for the growth of crises have been eliminated or greatly reduced."* Even this admission understates the case. It is put more frankly and fully by Mr. Skelton. "Many forces," he says, "have worked for the attenuation rather than the aggravation of crises since Marx's days—the better organisation of credit; the growing fluidity and internationalism of capital and of commerce, which make the whole world feel the shock but prevent its being fatal in any one spot; the greater reserve of accumulated wealth lessening the importance of temporary depression," and so on.† Capitalism, in short, in the new and strange conditions produced by the unparalleled inventions and discoveries of the nineteenth century, is finding itself; and is preparing, not to perish in giving birth to socialism, but to proceed (as soon as socialism shall have ceased to molest it) to increasing perfections of organisation and productive achievement.

Hence, finally, (5) *the social revolution which Marx confidently foretold as the inevitable outcome of capitalist accumulation, proletarian misery, and intensifying crises, does not draw nearer, and will not take place.* If a social revolution of any sort occurs—as it has occurred in Russia—it will not be the product of the purely imaginary process detailed by Marx, every step of which has been proved by three-quarters of a century of experience to be visionary; it will—like the Russian revolution, which developed in the least capitalistic of all the great powers—be the result of a

* Marx, *Das Kapital* (English Translation, 1909), p. 575, note.

† Skelton, O. D., *Socialism* (1911), p. 171. *Cf.* also Simkhovitch, *op. cit.*, pp. 225-240.

criminal conspiracy of the vulgar kind, rendered successful by the defects and misfortunes of the unhappy society in the midst of which it has been generated.

What, then, becomes of the *economic determinism* with which Marx and Engels buoyed up the spirits of their deluded disciples? It, of course, vanishes with the materialistic conception of history on which it was based, and with all the rickety structure of fallacious dogma erected on that unsound foundation. Admit other causes than economic in the determination of the course of human affairs, and the whole Marxian system crashes. Marx himself, indeed, however loudly he might profess belief in his materialistic interpretation of history, had no faith in the inevitability of either gradualness or suddenness. He persistently agitated to hasten and precipitate a catastrophe which according to his philosophy must, on the one hand, infallibly take place, and, on the other, could not take place until the development of capitalism had brought the fulness of time. As Simkhovitch well says: "The economic interpretation of history and the social revolution as an organiser of a new system of production cannot live together in the same house."* So, too, Tugan-Baranowsky: "If the economic development itself naturally and really leads socialism to victory, without any conscious assistance of man, why then should the labouring class take part in a struggle and expend their forces to attain an end which, at any rate, must come about without submitting itself to any interference whatever from outside?"†

* Simkhovitch, V. G., *Marxism versus Socialism* (1913), p. 251.

† Tugan-Baranowsky, M., *Modern Socialism* (1910), p. 97. *Cf.* also Guyot, Y., *Socialistic Fallacies* (1910), p. 229, and Deslinières, L., *Délivrons-nous du Marxisme* (1923), pp. 3, 54.

This, however, is only one of the innumerable contradictions and inconsistencies with which Marxism is thickly studded. The alleged "mistakes of Moses" are not more embarrassing to the pious fundamentalist than are the glaring fallacies and falsified prophecies of Marx to the devoted communist. In particular, the Marxian eschatology is as completely discredited and derelict as is the mediæval nightmare of a physical hell. "History," confessed Engels in 1895, "proved us wrong, and showed the views which we then held to be illusions."* O shade of Marx! What will not the injudicious Engels confess now you are no longer near him to impose discretion!

## § 11. The Errors and Defects of Marxism

It may be well, before bringing to an end this long chapter on Marx and Marxism, to summarise as briefly as may be the more conspicuous errors and defects of the false prophet's pretentious, jerry-built, and ruinous system. (1) Its philosophical basis—the materialistic conception of history—is unsound. (2) Its economic foundations—the theories of value and surplus value—are radically rotten. Hence its conceptions of labour and capital, wages and interest, profits and rent, erected on these false foundations, are all crooked, perverted, crazy. Well says Professor Flint: "No man with an intellect so vigorous, or one who had read so much on economic subjects, has erred so completely, so extravagantly, as to the fundamental principles and laws of economic science"; and he adds: "The cause of his failure is obvious.

* Engels, F., *Einleitung zu Karl Marxs "Die Klassenkämpfe"* (1895), p. 6.

Passion is a bad counsellor. And the soul of Marx was filled with passion; with party hate; with personal animosities; with revolutionary ambition. His interest in economics was neither that of the scientist nor the philanthropist, but of the political and social agitator; and he put forth his strength entirely in manipulating it into an instrument of agitation."* (3) The Marxian dogma of the class war—derived from Marx's false view of history and his erroneous theories of value and surplus value—is at once radically untrue and immeasurably pernicious. It is radically untrue as an interpretation of the past.† It is immeasurably pernicious as an inspirer of socialist-labour policy in the present.‡ It lowers production to a mere fraction of its possibilities; it prevents industrial improvement and scientific advance; it hampers and harasses enterprise; it stops

* Flint, R., *Socialism* (1895), p. 194.

† An admirable, and wholly unintended, demonstration of this fact is provided by the five volumes of Mr. Max Beer's *Social Struggles* (1922-1925). These volumes cover the whole recorded course of human affairs, and hence, according to the Marxian theory, "social struggles" should be an epitome of world-history. All that Mr. Beer serves up, however, is an account of a small number of isolated and disconnected episodes, of very varying characters, often separated by wide intervals of time in which not even he can discern any signs of a class war. The whole is very small beer. Well did *Highway*, the magazine of the Workers' Educational Association, laconically review the fifth volume in the single sentence: "We are glad this series of *social struggles* is now finished"! (January, 1927).

‡ The following quotations, from *Wage-Labour and Capital*, issued by the Glasgow Socialist-Labour Party, are typical: (1) "There can be no peace between the exploited working class and the exploiting capitalist class"; (2) "The industrial workers are organised, not to conciliate, but to fight the capitalist class . . . we deny that there is anything in common between working men and capitalists."

the creation and circulation of capital, the very life-blood of economic society; it deflects the energies of business-managers: it increases the risks of commerce, and therefore the cost of insuring against them; it poisons the relations of those who should be friends, turning them into unnatural enemies; it converts into mutually destructive foes those whose deepest interests should make them closest co-operators; in every conceivable way it acts as a drag and an unmitigated curse, the evil effects of which are felt most of all by the very class which Marx professed himself most anxious to assist. Marx, indeed, is the Old Man of the Mountain who, with his load of heavy fallacies, has fastened himself upon the shoulders of organised labour. And, unless organised labour can shake him and his lumber off, it can never hope to make any further progress—except in the direction pursued by the Gadarene swine. (4) All Marx's prophecies concerning the course and issue of the class struggle have been, and are increasingly being, falsified: there is no squeezing-out of small capitalists: no elimination of the middle class; no deepening misery of the proletariat, except where communism reigns: no ever-augmenting crises; no social revolution being naturally engendered in the womb of capitalist society. The whole fantastic scheme is a nightmare of Hegelian dialectic, having no relation whatsoever to the normal course of events. Marxism is dangerous merely because it strives artificially to cause the catastrophe which it professes to believe must come inevitably by the operation of natural forces beyond human control.

The whole Marxian system, in short, is rickety, ruinous, and rotten. It is a derelict philosophy of irrational hate which has done more harm to

larger numbers of the human race than any other superstition which has prevailed since the days of the first crusade. It is abstract, arbitrary, dry, unscientific; it is grossly materialistic, and wholly lacking in moral or spiritual appeal; it is obscure, ambiguous, self-contradictory; it is purely destructive and quite devoid of constructive ideas or principles; it is violent and predatory, wholly wanting in kindliness and charity; it is equally disastrous in its influence on the individual and on society. Says Mr. J. M. Keynes: "Marxian socialism must always remain a portent to the historians of opinion—how a doctrine so illogical and so dull can have exercised so powerful and enduring an influence over the minds of men, and, through them, over the events of history."* Only, however, to thinkers who suppose that reason rules in the underworld does the might of Marxism present itself as a portent or a mystery. To those who know otherwise the secret of its success is clear and obvious. It makes no *intellectual* appeal to any intelligent person. Its appeal is purely *passional*; but that appeal is immensely strong. It stirs as no other appeal does the predatory instincts of the primitive man, who exists in vast numbers, with the thinnest veneer of civilisation, in the midst of our modern society. The lure of Marxism is the lure of loot; and everywhere Marxism in practice means the dictatorship of the criminal class.

* Keynes, J. M., *The End of Laissez-Faire* (1926), p. 34.

## CHAPTER VIII

### MODIFICATIONS OF MARXISM

"The Marxian doctrine, which helped the development of socialism throughout the world as no other doctrine ever did, has turned into a fetter, a trap, a pitfall, from which there seems to be no escape."—Dr. V. G. Simkhovitch.

### § 1. Revisionism

Marxism, as we have now seen, is intellectually bankrupt and morally damnable. That it still continues to be taught in Labour Colleges, Plebs Leagues, and Bolshevist Universities merely means that, for non-educational reasons, partisan lecturers persist in teaching what is false, and what they know to be false, in order to incite ignorant and unbalanced students to do what is wicked, and what they know to be wicked.

But though Marxism continues to prevail in the seminaries of Fagan, it has long been abandoned by all competent thinkers who value intellectual integrity and moral sanity. So long as Marxism remained — if it ever was — a credible system of dogma; so long, at any rate, as it was sincerely believed by honest if misguided men, it provided a pseudo-ethical and pseudo-scientific justification for the plunder which was its purpose and end. It seemed to satisfy the sense of justice, at the same time as it lured to loot. It made the best of both worlds, the moral and the predatory. It appealed to the most primitive individualism while professedly seeking to attain ideal communism. It

sublimated robbery into "restitution." It enabled the impecunious to regard themselves as "the disinherited"; the ne'er-do-weels as "the defrauded"; the unsuccessful as "the oppressed"; the unskilled as "wage-slaves"; the incompetent as "the exploited"; the unemployed as "the sole creators of wealth and value"; the proletariat as "the people"; and the violent revolutionaries as "vindicators of the rights of man." The destruction of the Marxian system by criticism, however, deprived socialists both of the scientific foundation on which they had imagined they stood, and of the ethical defences behind which they had hoped that their expropriations and confiscations would be effectively screened. It was necessary for them to come out into the open again; to occupy new positions; to lay new foundations; to build new ethical ramparts. To face this painful necessity was the object of German revisionism.

The revisionist, or *Los-von-Marx*, movement began in Germany about 1898, when the full import of the Marxian debacle, as revealed in the third volume of *Das Kapital* (1894), had been realised. Its pioneer was Eduard Bernstein, a quondam member of the innermost Marxian circle, an executor of Engels himself. Born at Berlin in 1850, he had joined the social democrats in 1872, and had speedily become prominent for both his ability and his revolutionary fervour. So obnoxious did he make himself to the Prussian authorities that in 1881 he left Germany and for the next twenty years lived and laboured either in Zürich or in London, co-operating with August Bebel in Switzerland and with Friedrich Engels in England. His main work was to write for, or to edit, the German *Sozialdemokrat*, the proscribed

organ of militant Marxism. After the death of Engels in 1895, he was regarded as the leading exponent of Marxian socialism abroad, as Karl Kautsky was in the fatherland. Gradually, however, his eyes were opened, and principally by three things—viz., (1) the failure of Marx in the third volume of *Das Kapital* to maintain the positions assumed in the first volume; (2) the numerous confessions and retractations of the bewildered and incompetent Engels; and (3) the obvious falsification of all the Marxian predictions by the course of English industrial and commercial life. In particular the prophecy of increasing misery, of more frequent and more devastating crises, of sharper class divisions, culminating in civil war and social revolution, were ludicrously out of harmony with the facts of the case. Researches such as those of Sir Robert Giffen revealed the indisputable reality, that, on the whole, the working classes were four times better off at the end of the nineteenth century than they had been at its beginning. Moreover, all the signs of the times portended, not a deepening decline into destitution and despair, but a steady and rapid rise by constitutional means to economic and political ascendancy.

In these circumstances Bernstein, in October, 1898, addressed from London a famous and notable letter to the German Social-Democratic Conference then being held at Stuttgart. In this letter he pointed out the evident but (to Marxians) depressing facts that the collapse of capitalist society was not imminent; that concentration of industry was not taking place to the extent expected; that misery was not increasing; that class antagonism was not becoming more acute; and that reform rather than revolution was in the air. He concluded by urging

that Marxism should be "revised" in order to make it square with reality; the tactful word "revised," as the stalwarts at once perceived, simply meaning "scrapped and thrown into the dust heap of exploded fallacies."* He followed up the letter by publishing next year his powerful book *Die Voraussetzungen des Sozialismus und die Aufgaben der Sozialdemokratie*, which ten years later (1909), was translated into English, and issued by the Independent Labour Party, under the title *Evolutionary Socialism*. Bernstein's old friend Kautsky, now entirely alienated, at once—and quite rightly—denounced the book as "an abandonment of the fundamental principles and conceptions of scientific [he means, of course, Marxian] socialism." It is a book which all should read who have any lingering respect for Marxism. The first chapter is sufficient to dispose of "the fundamental doctrines of Marx." In turn, Bernstein discusses and rejects (1) the materialistic conception of history; (2) economic determinism; (3) the doctrine of the class war; (4) the labour theory of value; (5) the dogma of surplus value; (6) the law of capitalistic concentration; (7) the theory of increasing misery and cumulative crises; (8) the social revolution, and the dictatorship of the proletariat. He declares for constitutional methods; national democracy; social reform; evolutionary progress. His retention of the name "socialist" at all is merely a gesture intended to conceal his entire abandonment of his former creed.†

* Bernstein, E., *Evolutionary Socialism* (English Translation, 1909), pp. ix-xi.

† *Cf.* Leroy-Beaulieu, P., *Le Collectivisme* (fifth edition, 1909), p. 456: "La révision de la doctrine marxienne par Bernstein détruit absolument le Marxisme."

He defines socialism (p. 96) as "a movement towards, or a state of, an order of society based on the principle of association"—a definition that would admirably fit a co-operative society or a Y.M.C.A. Not the sort of thing for the realisation of which it would be easy to get "the workers of the world," or the loafers of the underworld, to unite.*

Another prominent revisionist is Dr. Michael Tugan-Baranowsky, once a leader of the Marxians in Russia, from whose book, *Modern Socialism*, frequent quotations have been made in the preceding pages. His conclusions so closely resemble Bernstein's that it would be a tedious repetition were I to summarise them. The following passage from Professor Seligman's *Economic Interpretation of History* (second edition, 1924, p. 111) will suffice to make clear the purport of Tugan-Baranowsky's thought. "Perhaps the ablest writer of the revisionist school of socialists, Dr. Michael Tugan-Baranowsky, has abandoned one after another all of the claims of scientific socialism. He describes Marx's interpretation of history in terms of the class war as a fatal error (*grösster Irrtum*). He then takes up in turn the labour theory of value; the doctrine of surplus value; the impoverishment theory, and the doctrine of the cataclysm of society, showing that each one of these is no longer tenable in face of the criticisms urged by economists. What then, we may ask, is left of scientific socialism?"

* *Cf.* Simkhovitch, V. G., *Marxism versus Socialism* (1913), p. 289. Speaking of revisionists, he says: "Of socialism they have preserved only the name; they are social reformers. Bernstein, who inaugurated the revisionist movement, frankly admits in his book, *Die Voraussetzungen des Sozialismus*, that the goal of socialism—the socialist commonwealth—means nothing to him, while the social movement means everything."

The answer to that question is easy: Nothing. Not so easy is the answer to the question: What has been the influence of revisionism on the principles and programme of the Social-Democratic Party. The answer, however, would seem to be: On their professed principles slight; but on their practical programme profound. After an embittered struggle extending over a generation (1862-1891) between the national, political, reformist, and evolutionary socialism of Lassalle, and the international, anti-political, destructive, and revolutionary socialism of Marx, Marxism, owing to its stronger appeal to the predatory instincts of the proletariat, had completely won the day and had driven its rival from the field. The outstanding events of the campaign had been (1) the Eisenach Conference of 1869, where the battle had been joined; (2) the Gotha Conference, 1875, where a truce had been made, a compromise arrived at, and a joint-programme—vehemently denounced by Marx himself in letters from England—drawn up; (3) the Erfurt Conference, 1891, where unmixed Marxian theory had prevailed, although it had been followed by a programme of immediate reform singularly out of harmony with the revolutionary ferocity of its fundamental ideas.* The Erfurt Programme had been primarily the production of Kautsky, and in 1892 he had issued an exposition of it which still ranks as one of the best succinct summaries of applied Marxism.†

* The Erfurt Programme is given in full in Kirkup's *History of Socialism* (fifth edition, 1913), pp. 223-229, and in many other publications.

† Kautsky, R., *Das Erfurter Programm* (1892). An American translation appeared in 1910, under the title *The Class Struggle* (Kerr, Chicago).

This programme continued to be the nominal watchword of German social democracy until the war, when all creeds went into the melting-pot. From the melting-pot emerged in September, 1925, a new programme—the Heidelberg Programme—which, by an interesting coincidence was drawn up in the first instance by the very Dr. Karl Kautsky who had drafted the Erfurt Programme thirty-four years before. How great the change! How different the circumstances! At Erfurt the Social-Democratic Party had just emerged from a twelve years' ordeal of severe governmental repression (1878-1890); at Heidelberg it represented one of the major powers in the state. At Erfurt it had been safe, if absurd, to talk of increasing misery, class war, social revolution, and all the other Marxian commonplaces; at Heidelberg it was worse than absurd, it was impolitic. Hence we have a very much "revised" Marxism, with the more obvious fallacies quietly left out; and we have a greatly extended programme of projected reform from much of which the element of socialism is conspicuously absent. Lassalle is back again, and Bernstein is vindicated by his leading opponent. Marxism is reduced to a minimum, and Marx is a mere name to conjure with.* With Kautsky abandoning Marxism in all but name, we realise the truth and the force of Werner Sombart's words uttered over twenty years ago: "Here and there a stone was removed from the Marxian system; a whole army of moles, hailing from the socialist as well as from the bourgeois camp, endangered the foundations on which it stood, until at last the whole structure

* For the full text of the Heidelberg Programme see Shadwell, A., *The Breakdown of Socialism* (1926), pp. 241-245. *Cf.* also pp. 193-197 for comments.

collapsed as silently as the Campanile in Venice."* No wonder that Lenin and Trotsky in the days of their ascendancy in Moscow denounced Kautsky, as well as Bernstein, as a bourgeois renegade !

## § 2. Fabianism

Long before "revisionism" started in Germany, it had started in England, and there can be little doubt that Bernstein learned much of his reformist moderation from the members of the Fabian Society, with many of whom he was intimately acquainted.

The Fabian Society—a peculiarly English and essentially middle-class organisation—was founded in January, 1884, by a number of young men, the majority of whom—such are the inscrutable dispensations of providence—are still, forty-four years later, militant here on earth. Its name was discovered for it and revealed to it by Mr. Frank Podmore, who was in close and continuous correspondence with the spiritualistic world. He found his affinity in the famous Fabius Cunctator, and, having done so, he oracularly informed his fellows: "For the right moment you must wait, as Fabius did, most patiently, when warring against Hannibal, though many censured his delays; but, when the time comes, you must strike hard, as Fabius did, or your waiting will be in vain and fruitless."† After providing the society with a name, Mr. Podmore vanished into the empyrean, leaving the undisputed leadership of the small band of disconso-

* Sombart, W., *Socialism and the Social Movement* (English Translation, 1909), p. 64.

† The information that Fabius struck hard *must* have been derived directly and immediately from the ghost of the deceased Cunctator. Roman history contains no record of it.

late disciples to Mr. Sidney Webb, a constitutional bureaucrat, temporarily located on a stool in the Colonial Office. With Mr. Webb were associated Mr. Bernard Shaw, an Irish journalist just (for the first time) lost in London; Mr. Sydney Olivier, then at the very threshold of that eminent career (grateful and comforting to the enemies of England) which ultimately led him into the Labour Cabinet of 1924, and into the House of Lords; Mr. Graham Wallas, who passed through a transient phase of collectivism on his way to common sense; and Mrs. Annie Besant, who took up Fabianism during an interval in her transmigration from atheism to theosophy.

In 1884 circumstances were ripe for a revival of socialism in England. For socialism is a disease that flourishes most vigorously in periods of adversity and in conditions of misery; its most promising recruits are commonly drawn from the ranks of the wretched, the criminal, and the insane. Now the collapse of Chartism in 1848 had been followed by thirty years of unprecedented prosperity. In spite of the repeal of the corn laws, agriculture had flourished; industrially England had become the workshop of the world; with her commerce she had covered every sea. In that happy interlude of general and widespread well-being, in which every class participated, socialism had all but become extinct in this country—save in the circles of foreign refugees, such as that of Marx.* But by 1878—just when Disraeli touched the summit of his great career—the tide of prosperity began to ebb. Agriculture was the first

* So, too, apparently, in France. Louis Reybaud, under "Socialism" in the *Dictionnaire de l'Économie Politique* (1853), wrote: "Socialism is dead; to speak of it is to pronounce its funeral oration."

to languish, struck by the competition of prairie lands beyond the ocean—a competition intensified by the new cheap transport of the merchant services. Industry soon followed it into adversity, owing to the growing rivalry of the newly created arts and crafts of the young German Empire, and of the resourceful American Republic. Commerce, too, found one lucrative market after another closed by a growing entanglement of tariff barriers.

It was thus into a depressed and distressful England that the Fabians launched their subtle propaganda in 1884. They found the way already to some extent prepared for them by (1) Mr. Henry George, whose *Progress and Poverty*, published in 1879, had had an immense vogue in England—a vogue revived and reinforced by a personal tour which Mr. George made through the country in 1882;* and (2) the Democratic Federation, an organisation founded in 1881 by a band of mixed revolutionaries, which in 1884, having shed its individualistic radicals, became the Social-Democratic Federation. It consisted of a small body of fanatical Marxians, dominated by a still smaller clique of quarrelsome egoists —H. M. Hyndman, H. H. Champion, William Morris being the first officials—who fought one another like Kilkenny cats over the means that were to be employed to establish universal brotherhood on the basis of a general confiscation.

The Fabians agreed with Henry George, but

* Mr. Henry George was not a complete socialist. He made no attack on capital or capitalism; he approved of competition, he regarded land, not labour, as the source of all wealth; and the only kind of surplus value he recognised and assailed was rent. The taxation of land values was his remedy for all the social and economic woes of humanity.

thought that he did not go far enough. On the other hand, they dissented from the S.D.F., thinking that it went too far. Their *raison d'être*, in fact, was the revolt from Marx.* They had painfully read *Das Kapital*—some of them perchance in the original German, others in a French translation. The descriptive sections of the book had impressed them; but they had become alive to its monstrous economic errors, to its impossible philosophy, and to its hateful temper. They drew their inspiration from older and nobler sources: from Plato and Aristotle rather than Hegel and Feuerbach; from Mill and Maurice rather than Marx and Engels; from the humane positivist sociology of Comte rather than the wild proletarian fury of the *Communist Manifesto.*

In relation to Marxism, the state-socialism which they ultimately succeeded in concocting manifested the following features: (1) In three fundamentals it definitely departed from the dogma of Marx: first, it entirely repudiated the materialistic conception of history and the doctrine of economic determinism ; secondly, it wholly rejected both the principle and the practice of the class war; and, thirdly, it completely abandoned the labour theory of value—Mr. Bernard Shaw, indeed, became one of the most effective champions of the antagonistic utility theory.† (2) In three further important particulars Fabian socialism diverged from the Marxian dogma:

* Mr. Sidney Webb, in his *Decay of Capitalist Civilisation* (1923), p. 166, speaks of Marx's " pretentious blunders in abstract economic theory," and admits that " the theoretic mistakes of Marx are as patent nowadays as the mistakes of Moses."

† *Cf. Fabian Essays* (1889), p. 13: " It is evident that the exchange value of anything depends on its utility, since no mortal exertion can make a useless thing exchangeable." So also *Fabian Tract No.* 45 (1893), p. 10.

first, it took up a notably different attitude towards the state; it did not expect it to wither and disappear at the dawn of the socialistic day, but, on the contrary, proposed to make it the main organ for the permanent administration of the co-operative commonwealth; secondly, it substituted evolution for revolution, constitutional method for proletarian violence, the inevitability of gradualness for the suddenness of inevitability; and, thirdly, it advocated reform as opposed to destruction, growing amelioration as opposed to increasing misery, political action as opposed to industrial action—*e.g.*, no one denounced general strikes more vehemently than Mr. Sidney Webb until he found himself attached, as leader, to a party which regards them as one of its two legs—a leg, by the way, which applies to itself the scriptural injunction addressed to the hand, viz., not to let the other one know what it is doing, or whither it is going. So far for differences and divergences. If they stood alone, so great is their importance that they would suggest that the Fabian founders were not socialists at all, but mere social reformers. As such, indeed, they were denounced by angry Marxians, who said that they had repudiated all the prime essentials of the creed of international social-democracy, and had surrendered for mere pink platitudes the ruddy hopes of the industrial workers of the world. Such denunciations, however, were unjust. For (3) much of Marxism as the Fabians had abandoned or modified, they still clung to three things—one error, one folly, and one illusion—that placed them unmistakably with the socialistic goats rather than with any rational sheep. First, they clung to the surplus-value fallacy, presented in a new guise—the fallacy, that is to say, that unaided labour

produces a great deal more than it gets back in wages, and that therefore it is perpetually exploited by capitalists and landlords; secondly, and as a consequence, they placed the elimination of the capitalist and the expropriation of the landlord in the forefront of their programme; and, thirdly, they looked for the complete reconstruction of society on a collectivist, co-operative, and non-competitive basis, all private enterprise having been suppressed. These three things reveal them as true socialists and necessitate their condemnation as such.

The policy of the Fabians was in accord with their apparently mild and persuasive creed. They studiously avoided the giving of shocks to society; they went about, not in sheep-skins and goat-skins, but in silk hats and frock coats, like the most innocent of shopwalkers; they enrolled in their ranks pitiful parsons of all denominations, and got them to assure the religious world — gravely perturbed by the materialistic atheism of Marx—that socialism was really nothing more than applied Christianity;* they lived in suburban villas; waxed eloquent in drawing-rooms; made money, invested it, and flourished on the dividends like any ordinary capitalist; drew rents and royalties, and sought differential increases of salaries, just as though they had been normal parasites of the toiling proletariat. So far

* *Cf. Fabian Tract No.* 42, by the Rev. Stewart D Headlam, and *No.* 78 by the Rev. Dr. John Clifford. According to Mr. Headlam, the miracles of Christ were really socialistic enterprises; the parables lessons in socialism; the sacraments, "which are universally necessary to salvation," socialistic institutions; and the catechism a textbook of socialism. Anything, apparently, that exalts the community above the individual, that encourages altruism, or that shows a tendency to elevate the condition of the poor and suffering, is socialism !

from endeavouring to enroll large, and therefore alarming, numbers in their society, they rather (like Gideon) courted insignificance, and (like Uriah Heep) practised humility: their fluid and fluctuating membership has rarely exceeded 3,000, and of these 3,000 only three have at any time really mattered—viz., Mr. Sidney Webb, Mr. Bernard Shaw, and the secretary.

Their method of attack upon capitalism from their first day to the present has been thoroughly characteristic: it has been the method of sapping rather than assault; of craft rather than force; of subtlety rather than violence. "Permeation" has been their watchword. Power rather than property has been their immediate quest; but power which will enable them in the end—by peaceful and constitutional means, infinitely more effective and less destructive than communist violence—to possess themselves of property. They have wormed their way, often in disguise, into political clubs, trade-union executives, co-operators' directorates, education committees, religious conferences, boards of guardians, municipal councils, and other public bodies, and have made it their business to guide and drive them in a socialistic direction. Above all, they have tried to bemuse the public mind into the belief that "socialism" and "collectivism" are synonymous terms; and that all they are aiming at is a harmless and beneficent extension of state and municipal enterprise. I have dealt with this confusion at length in a preceding section of this book,* and there is no need for me to repeat my observations. Suffice it to say here that it is a flagrantly dishonest procedure; a gross offence against the morality of discussion. It

* Pp. 74-83.

is, indeed, the fundamental Fabian falsity; and it has been reiterated again and again in spite of innumerable exposures by individualists, and in the face of indignant protests by more truthful socialists. And the men who persist in repeating it—persist in identifying socialism with national post-offices, state railways, city tramways, and municipal milk—these men are not ignoramuses; they include some of the masters of the art and craft of letters, experts in the exact use of language. It is difficult, indeed, to acquit them of the charge of deliberate deception.

The insidious methods of Fabianism, in fact, together with its unscrupulous addiction to the use of terminological inexactitudes, have not unnaturally given it an evil name among those who value honour and openness in public life. "The Fabian writers," says Mr. Mallock, "have been playing fast and loose with their language and their thoughts; whilst defining socialism as being in its essence one thing [viz., the elimination of the capitalist; the expropriation of the landlord; the extinction of private enterprise; the eradication of competition], when looking for realised examples of it they mean quite another" [viz., mere state and municipal enterprise; the setting up of gasworks, waterworks, baths, laundries, and the like].* "The Fabian Society," declares Mr. Ellis Barker, "is the least open and the least straightforward socialist organisation . . . it habitually and on principle sails under a false flag, wishing not to arouse suspicion as to its objects. . . . Fabians rely for their success chiefly on their artfulness."† Mr. Arnold-Forster, dealing expressly with the difference

* Mallock, W. H., *Studies in Contemporary Superstition* (1895), p. 278.

† Barker, J. E., *British Socialism* (1908), pp. 418-423.

between socialism and collectivism, is constrained to say that the Fabians "do not come into this controversy with clean hands."* They do not, indeed: they have done their best to confuse the issue. Mr. Skelton calls the Fabians "the typical opportunists of socialism," and shows how with an entire lack of scruple "they have laboured ingeniously to show that an unconscious socialism is already in full swing in Britain, in post-office and public school, in hawkers' licenses and factory inspection and income taxation, drawing the deduction that the nation may as well be hanged for a sheep as for a lamb, and go consciously to the end of the socialist road."† Dr. Beattie Crozier, treating of the Fabians, speaks of "the carefully hidden devices by which they covered up their tracks," and considers that "this process of secret and gradual insinuation was, in effect, a real conspiracy" with Mr. Sidney Webb as "the arch-conspirator in it all."‡ Mr. Bernard Shaw, for his part, seems rather proud of Mr. Sidney Webb's successful necromancy: speaking of the Fabian triumphs in the first L.C.C. election, 1888, he boasts that "the generalship of this movement was undertaken chiefly by Sidney Webb, who played such bewildering conjuring tricks with the liberal thimbles and the Fabian peas that to this day both the liberals and the sectarian socialists (Marxists) stand aghast at him."§ That "sectarian socialist," Friedrich Engels, expressed his aghastness

* Arnold-Forster, H. O., *English Socialism* (1908), p. 20.

† Skelton, O. D., *Socialism* (1911), p. 289.

‡ Crozier, J. B., *Sociology as applied to Practical Politics* (1911), pp. ix, 52. It may be noted, also, that Mr. Webb is described (p. 53) as "the sole High Pontiff of Fabian socialism."

§ Shaw, G. B., *The Fabian Society* (1892), pp. 18-19.

at the Fabians' mode of procedure without any ambiguity. "Their tactics," he wrote to his friend Sorge, "are to fight the liberals not as decided opponents, but to drive them on to socialistic consequences; therefore to trick them, to permeate liberalism with socialism, and not to oppose socialistic candidates to liberal ones, but to palm them off, to thrust them on, under some pretext. . . . All is rotten."* Mr. H. G. Wells, the novelist, concurs: after serving for years in the innermost circles of the society, he left it and described its leaders as "a very small group of pedants who believe that fair ends may be reached by foul means."† He has bequeathed to posterity fuller but not more favourable pictures of them in the pages of his *New Machiavelli*. The Fabians have been called "the Jesuits of Socialism"; but to apply this name to them is to do an injustice to a great religious organisation.

Of all the perpetual memorials of Fabian duplicity, the notorious *Tract No.* 5 stands scandalously pre-eminent. It is entitled *Facts for Socialists*, and it has reached its thirteenth revised edition, making a total issue of 145 thousands. A better title for it would be *Figments for the Gullible*. It is an almost perfect model of the way in which authentic figures, drawn from reputable and authoritative sources, can be manipulated by unscrupulous jugglery to convey to ignorant and uncritical minds pernicious and inflammatory falsehoods. Those who wish to see why the superlative of "lie" has been said to

* Engels, to Sorge, 1893, printed in *Socialist Review*, vol. i., p. 31. Engels' friend, Mr. H. M. Hyndman, in his *Reminiscences* (1912), p. 310, speaks of "the bureaucratic Fabian Society which has so assiduously promulgated the doctrines of middle-class permeation and high-toned intrigue."

† Wells, H. G., *The Fourth Year* (1918), p. 147.

be "statistics" should study the tenth edition (revised) of this tract, published in 1906, and should then read Mr. Ellis Barker's exposure of its fallacies in his *British Socialism* (1908), pp. 41-49. I can here summarise only the main points of his indictment: the figures relate to the year 1901 or thereabout. The professed object of what Mr. Barker calls "this dishonest pamphlet" is to show that of a national income of £1,800,000,000, nearly two-thirds—viz., £1,110,000,000—go to "the classes"; while the remaining £690,000,000 is all that is left to "the masses" who produce it. In order to demonstrate this falsity, the following devices are adopted: (1) All "unoccupied males" over twenty years of age, including the old and decrepit of all classes, all retired business men, all persons in receipt of small pensions, all inmates of workhouses and asylums, all paupers over sixty years of age, and certain classes of prisoners in gaols, are grouped together, and held up to execration as "the main body of the idle rich," numbering in the aggregate 663,656, who "do not even profess to have the shadow of an occupation." (2) The earnings of all professional men—lawyers, doctors, schoolmasters, clergy, artists, writers, journalists—all business men and shopkeepers, all farmers, all clerks, and even all skilled artisans, are included, under "profits and salaries," in the £1,110,000,000 obtained by robbery from the produce of the labour of the unskilled manual workers. (3) Some £250,000,000 annually reinvested in productive undertakings is ignored—that is to say, is left to be regarded as squandered in luxury by the "idle rich." (4) Some £150,000,000 paid annually abroad to balance our international accounts is similarly treated. (5) Some

£200,000,000 received from British investments abroad is added to the income of the capitalists (as though exploited from British labour), but no account is taken of the wages paid to the foreign labour involved. (6) The incomes of directors of public companies are treated as "unearned." (7) The average wage of the adult worker is stated to be only 18s. a week—less than one-half of the correct sum. (8) The property of the "manual labour class" is estimated at £348,804,106—about one-third of the actual amount. When all the necessary corrections to this misleading and most pernicious pamphlet are made, it will be found that the one-third allotted to unskilled manual labour, as its share of the national income, is swelled to over two-thirds; and it will be found that the one-third which goes to others than unskilled manual labourers is, in the main, honourably earned by services of various kinds and, further, is largely expended, not in wasteful luxuries, but in fostering industry and providing employment. Mr. Robert Blatchford—author of *Merrie England* and for many years editor of *The Clarion*—although a strong socialist, is indignant at the flagrant perversion of facts and figures of which the Fabians are guilty. "All wealth," he says, "is *not* produced by labour, and probably two-thirds instead of one-third of the wealth produced go to labour."* The authoritative researches of Professor A. L. Bowley and Sir Josiah Stamp have blown sky-high the dishonest fabric of this disgraceful pamphlet. The thirteenth edition (1926) which endeavours to accommodate its fallacies to their findings is a monument of chaotic embarrassment. †

* *Sunday Chronicle*, March 23, 1919.

† For a convenient summary of Bowley and Stamp's conclusion see *The National Income*, 1924 (Oxford, 1927).

It is difficult to over-estimate the injury to the cause of industrial peace and national prosperity done by this deplorable and reprehensible tract. For it has had an enormous and long-continued vogue. Its *ex-parte* facts, its dishonest quotations, its garbled and deceptive figures, its pseudo-scientific methods, have furnished (and still furnish) pabulum for hundreds of mischievous street-corner orations and subversive articles day after day. It travels where no refutations can ever reach it—in the underworld, where passion feeds on any garbage that suits its taste. The Fabian Society has not only brought the deepest discredit upon itself, but it has done the greatest possible disservice to the nation by its persistent dissemination of these reckless misstatements, which are inflammatory—and are deliberately framed so as to be inflammatory—where the truth would not be inflammatory. *Fabian Tract No.* 5 is, indeed, a disgrace to the society which issues it; a monument of statistical mendacity.

The Fabian nostrum for the remedy of the imaginary wrongs revealed in *Tract No.* 5, and in the extensive library of fiction issued in the same series, is not violent revolution of the Marxian or communist kind, but merely a gradual and gentle extension, by legislative and administrative means, of state and municipal enterprise. "Take care of the power and the property will take care of itself" is its implied motto. Step by step, land, mines, railways, ships, banks, shops—everything—will be nationalised, municipalised, socialised. Private enterprise will be slowly but completely squeezed out of existence; competition will be imperceptibly but entirely eliminated. And the funds to achieve these ends will not be seized by lawless force; they will be quietly but remorse-

lessly extracted from private enterprise and competitive industry themselves by a graduated system of predatory taxation.* Nothing will be confiscated; everything will be purchased and paid for. The members of the possessing classes will, by some ingenious device or other, compensate one another, until (again gradually) their funds run out, when they will, to their great advantage, be compelled to resort to work, even if it be only to "earn a precarious livelihood by taking in one another's washing." Meantime the proletariat will rejoice. They will all be servants of the beneficent state; their wages will go up, for they will fix them themselves through their elected representatives; their hours of labour will go down, for they will no longer have to maintain capitalists and landlords in luxury; they will begin to draw large old-age pensions whilst they still have youth and energy to enjoy them; education, medical attendance, amusements, recreations, transport—all will be free and unrestricted. In the end, everyone will be a blessed pauper, paying away all his earnings in rates and taxes, and in return being luxuriously maintained (so long as he does not display any recrudescence of individualism) on outdoor relief.

It is unnecessary at this point to deal fully with the fallacies of Fabianism. Some of them are common to the collectivism, or to the Marxism, which have already been dealt with; others will be discussed later

* *Cf. Fabian Tract No.* 127. "To the socialist, taxation is the chief means by which he may recover from the propertied classes some portion of the plunder which their economic strength and social position have enabled them to extract from the workers. . . . To the socialist, the best of governments is that which spends the most."

in the general chapter on the defects of socialism. Suffice it here to say that Fabianism displays (1) a false interpretation of history; (2) a false analysis of the existing industrial system, and especially of the part played by capital, on the one hand, and ability, on the other hand, in the production of wealth; (3) a false estimate of the capacity of the state as an organiser of industry and a conductor of commerce; (4) a false emphasis on the influence of environment, as opposed to character, in determining human destiny; (5) a false conception of human nature, and in particular a complete illusion as to the motives required to persuade the average man to devote his time and his best powers to the daily routine of productive toil; and, finally, (6) a false and most demoralising and debilitating scheme for relieving destitution and unemployment—a scheme whose results, wherever it has been tried (as it has been tried by many socialistic boards of guardians), has been invariably to produce a parasitic and pauper population, incapable of either thought or work.

### § 3. Syndicalism

Fabianism had its main vogue during the quarter-century 1884-1909. The last and most characteristic utterance of its prime was the *Minority Poor-Law Report* of the latter year, a document in which the causes of destitution were elaborately classified under five heads, not one of which had any relation whatsoever to any defects of character! Drunkenness, laziness, gambling, improvidence, or debilitating vice, it appeared, were not causes of pauperism; they merely determined who should be paupers! The obvious perversity of this misguided document

—which advances ludicrous arguments to show that only one of the two blades of a pair of scissors does any cutting; that only environment, and not human nature at all, determines destiny—revealed the superficiality of the Fabian diagnosis, and the quackery of the Fabian panacea.

Before the revelation of 1909 occurred, however, other causes had undermined the Fabian fabric. During the twenty-five years in question numerous experiments in both national and municipal collectivism had been made, and from these experiments two things had become evident. On the one hand, it had become clear that collectivism was merely another name for monopoly, and that collective monopoly did not by any means always connote efficiency, economy, electoral purity, or industrial peace. On the other hand, it had become clear that collectivism did not necessarily bring one whit the nearer the day of socialistic spoliation; that it was indeed a form of bureaucratic capitalism which tended to establish the state for ever on a firm economic basis, to place all things under its control, and to reduce all men to the condition of slaves. Said Mr. Blatchford in *The Clarion* of July 29, 1910: "If England were to pass into state socialism to-morrow, I should emigrate. So would all ideal socialists. We could not stand it. . . . No man who understands the meaning of the words *liberty*, *toleration*, *equality*, could live under state socialism. It would be hell."

The man in the street was probably indifferent whether state socialism, if fully realised, would produce "hell" or "Merrie England"; to him these terms were most likely but two names for the same undesirable thing. What *did* concern him was to note the failure of collectivism to realise any of the

roseate hopes picturesquely portrayed in the *Fabian Essays* and the *Fabian Tracts*. Whether he surveyed state-railways in France or Belgium; state-mines in Germany or Russia; state-shipping in Australia or America; instead of beholding efficiency, economy, and contentment, he saw slackness and incompetence, extravagance and neglect, unrest and corruption, political intrigue and industrial tyranny. If he turned his eyes to municipal enterprises, and examined the operation of corporation tramways, steamboats, gas-works, water-works, electricity-stations, and so on, he detected, on the one side, few or no advantages which would not have been secured by publicly controlled private enterprise, and, on the other side, all the evils of monopoly, together with general financial insolvency, made good only by growing subsidies, increasing rates, frequent loans, and accumulating municipal debts. Moreover, in both state and municipality he witnessed the growth of a new and formidable peril to honest and efficient democratic government. He saw political power more and more passing into the hands of public employees who used the franchise, both central and local, as a means for their own emolument and aggrandisement. He beheld Belgian state-railwaymen upsetting cabinets and determining elections in the course of conflicts concerned solely with their own wages and hours; he observed the thousands of the so-called servants of such corporations as Manchester and Glasgow making themselves, through their representatives, masters of the committees which determined the conditions of their labour. Hence he saw the spread of a new and colossal corruption, such as always displays itself when political power can be prostituted to private economic

purposes.* He, further, saw how in socialistically controlled districts like Poplar and West Ham the Fabian system of relentless taxation of the thrifty and industrious for the benefit of the improvident and lazy resulted in the special creation of a parasitic population of pampered paupers, a peril to the state and a blot upon humanity.†

While, however, the man in the street revolted against Fabian collectivism because of its inefficiency, its expensiveness, and its demoralising influence, the man in the trade union rebelled against it on quite different grounds. He rose against it because it did not deliver to him the goods which it had promised. He had not received his share of nationalised land and socialised capital, and he seemed to be no nearer getting it than had his father a quarter of a century before. He saw no prospect of handling any portion of that visionary surplus of £1,110,000,000 which, from *Fabian Tract No.* 5 (tenth edition, revised), he gathered ought to be divided annually between himself and his fellows. Above all, he found that service under a state department, or a local office-of-works, was no less "wage-slavery" than service under a private capitalist; and that under it the chances of freedom were immeasurably fewer. Hence he agreed with Mr. G. D. H. Cole—sometime the champion of Fabianism at Oxford, but later a deserter and an embittered antagonist—when he said: "Collectivism

* For a detailed examination of collectivism in action see Hurd, A., *State Socialism in Practice* (1925); Darwin, L., *Municipal Trade* (1903); and Avebury, Lord, *On Municipal and National Trading* (1907.)

† *Cf.* Armstrong C. W., *The Survival of the Unfittest* (1927) pp. 48-69.

is at best only the sordid dream of a business man with a conscience"; that it is "intellectually bankrupt"; that it is "a Prussianising movement," which inevitably leads to "administrative tyranny"; that the collectivist state is "the earthly paradise of bureaucracy"; and that collectivists are "either knaves who hate freedom, or fools who do not know what freedom means."*

It was, indeed, the passionate desire of the industrial labourer for freedom—that is, for emancipation from the control of any sort of employer or business manager—rather than the mere Marxian lust for loot which, in the incalculable course of creative evolution, brought syndicalism into being. But syndicalism was much more than a rising against industrial bureaucrats, or a protest against state-socialism. It was a rebellion against the state itself; a demand for its total and instant abolition; a repudiation of politics in any and every shape or form. A movement so visionary and so violent as syndicalism, was and is alien from the British genius, which, owing to centuries of tradition and habit, is essentially political and constitutional. It had its origin in France, the natural home of theoretic and academic revolutionary ferments; and from France it derived its name. No student of the history of the Third French Republic during the years 1887-1902 will be surprised that out of the welter of group-conflicts which marked that evil period—out of the log-rolling and unscrupulous bargaining; out of the corruption and degradation of government; out of the travesty of democracy; out of the Wilson scandal of 1887, the Boulanger scandal

* Cole, G. D. H., *Self-Government in Industry* (1917), pp. 5, 113, 122, 206, 208, 231.

of 1891; the Panama scandal of 1892, and the long-drawn Dreyfus scandal of 1894-9—a definite anti-political movement should have arisen.

Syndicalism was the nemesis of a corrupt democracy. It arose in the midst of the French trade unions (*syndicats*)—bodies much younger, much smaller, much less important, much more loosely organised and irresponsible than the pioneer trade unions of Great Britain. Illegal till 1864, not fully recognised before 1884, these *syndicats* lived a struggling and agitated life, the prey of violent factions, the victims of revolutionary fanatics. In vain, after 1884, did the government, and in particular the municipalities, try to pamper them into civility by providing them with buildings to serve as centres for social intercourse, industrial information, and educational activity; and by feeding them with subsidies. They passed more and more into the power of their wild men—Guesdists or Marxians, Broussists or revolutionaries, and Allemanists or anarchists. Finally the anarchists secured control, and in 1895 instituted the C.G.T. (*Confédération Générale du Travail*) for the express purpose of substituting "direct action" for political action, and of organising the "general strike" as a means by which to subvert the state and realise that social revolution which collectivism was obviously impotent to achieve. A seven years' struggle between collectivists and anarchic syndicalists within the unions resulted, in 1902, in the complete triumph of the syndicalists: the municipalities withdrew their subsidies, and left the C.G.T., with such resources as it could raise from its members, to work for the destruction of the state and the eradication of civilisation.

In so far as the syndicalists can be said to have

any economic creed, they are Marxians. Formally, however, they repudiate all creeds as bourgeois inventions, and denounce even Marx himself as middle-class. They pride themselves on their irrationality, declaring that their function in this vale of woe is not to argue but to act. Nevertheless, just as metaphysics can never be banished from philosophy, and just as theology can never be eliminated from even the most institutional religion, so every party which has a programme must also by implication have a creed; and, as I have remarked, the creed implicit, if not explicit, in syndicalism, is the creed of the *Communist Manifesto*. First, the syndicalist accepts the dogma of the class war in its most extreme and unmitigated form, converting it from a philosophy of history into a plan of campaign, and using it as a justification for all kinds of criminal violence. Secondly, he aims, with Marxian socialists, at the forceful and immediate expropriation, without compensation, of all capitalists and landowners; at the extinction of private enterprise, and the suppression of competition. Thirdly, he accepts without question the Marxian doctrines of value and surplus value, not because they are true—truth and falsehood are to him quite meaningless, bourgeois expressions—but because they are useful for the excitation of the proletarian masses. At that point, however, he diverges from Marxism, his divergence relating not to the end in view, but merely to ways and means. He rejects the Marxian policy of proletarian combination for the seizure of the state, and for the realisation of the proletarian paradise by political methods. He places his whole reliance on direct industrial action—on the "general strike," a universal war of classes waged with un-

restricted sabotage and slaughter. Of what lies beyond the catastrophe of the social revolution he has even less idea than Marx himself. He deliberately declines to peep, even in imagination, through the "gates ajar." Enough for him to compass the destruction of capitalist society and Christian civilisation. One step enough for him, even though no kindly light illumines the gloom of the future. He has credulity enough to believe that some sort of order, based on the victorious trade unions, will emerge from the welter and chaos of the great upheaval. Syndicalism is a rank-and-file movement. It rejects leadership just as it repudiates reason. It denies that outsiders such as Sorel, Lagardelle, Berth, Michels, Labriola, and Leone, who have striven to understand and interpret it, have understood it correctly or interpreted it properly. It denies, indeed, that it can be understood and interpreted properly: it is nebulous like a stellar system in the making; it changes from moment to moment like the emotions of a crowd. It is, in fact, an emotional and not an intellectual phenomenon—emotion without morals or intelligence. It is ominous that at the end of a century of scientific progress there should appear and display itself such a reversion to primitive barbarism. The omen, however, has its parallels in other spheres than the industrial. Syndicalism, on its anti-intellectual side, has its affinities with ritualism in religion; with Bergsonism and with pragmatism in philosophy; with the socio-psychological interpretation of history made popular by Lamprecht at Leipsic; with cubism and other hideous aberrations of modern art; with Dadaism; and with the rhythmlessness, rhymelessness, and unreasonableness of recent poetry.

If we are asked what this syndicalist omen—this industrial eruption of the volcanic underworld—signifies, we may reply that it indicates at least four things. It shows that the rank and file of the labour movement are (1) profoundly dissatisfied with their socialistic leaders, and intensely disgusted at the failure of these leaders to redeem their promises; (2) filled with despair at the impotence of politicians, at the pettiness of party warfare, at the unscrupulousness of group intrigues, and the gross corruption of democratic government; (3) acutely resentful at the loss of personal liberty entailed by the growth of modern large-scale, mechanised industry, and eager to recover some of the freedom and capacity of self-government which marked the simpler, if less efficient, industrial systems of earlier days; (4) determined to use the prodigious power which their ability to stop production places in their hands in order to secure for themselves the bulk of the wealth produced, and with it the opportunity of a larger and richer life.

Syndicalism is, of course, a vain illusion. Ability to stop production and ability to produce are two very different things. It is one thing to hold up the community by means of a general strike, quite another thing to feed and clothe even yourselves; one thing to seize factories, quite another to keep them going, to obtain and pay for raw material, to organise manufacture, to secure markets, and to deliver the goods. Syndicalism is purely militant and destructive: it is wholly devoid of constructive capacity. Moreover, the temper which it engenders—ferocious, suspicious, envious, jealous, malignant, criminal, diabolic—is a temper entirely incompatible with the continuance of any sort of civil society. Trade unions

marshalled under the syndicalist banner to wage the class war are completely unfitted by their nature and organisation to undertake any sort of honest work whatsoever. They are merely predatory packs, akin to Siberian wolves. Syndicalism, in short, is simple anarchism, condemned by its irrationality, its violence, its obscurantism, its repudiation of leadership, its superfluity of hatred and malice, to futility and to execration.

The principal efforts to realise the syndicalist idea—that is, to attain the proletarian paradise by means of the revolutionary general strike—have been made, of course, in France, the home of syndicalism. In 1906 the employees of 2,585 industrial establishments, organised by the C.G.T., struck suddenly on May 1, in order to force their employers to concede an eight-hour day: the refusal of the employers to be coerced sufficed to break the strike. In 1909 a great postal strike, and in 1910 a still more menacing and distinctly revolutionary railway strike, called forth all the resources of the government before they were broken and the country saved. In 1913, and again after the war, in 1920, similar threats to constitutional government had to be met and defeated. Sweden, too, had to face a syndicalist general strike in 1909, and the admirably quiet and efficient way in which she showed the revolutionary industrialists that she could do without them, and that she would on no account yield to their violence, provides a model for all countries similarly threatened. The cities of Italy—Milan in particular—were for many years much afflicted by syndicalism; it was, indeed, the rampant fury of syndicalist outrage in 1920 which necessitated and justified the supersession of impotent and corrupt democracy in Italy by Fascism.

Similarly, the industrial centres of Spain—especially Barcelona—became breeding-grounds of syndicalism and anarchism of a peculiarly virulent and sanguinary type. Numerous outbreaks of sabotage and assassination, inspired by syndicalist idealism, were among the most potent of the causes which compelled the king to sanction the suspension of the constitution and the establishment of the dictatorship of the Marquess d'Estella in 1923. In America, syndicalism is the active principle of the execrable I.W.W. (Industrial Workers of the World, otherwise the "I Won't Works"), described by *The Times* (February 23, 1918) as "an association of criminals of the worst type, and a hotbed of crime." The main manifestations of its nefarious activity have been widespread sabotage, incendiarism, dynamite outrage, and murder.

England has not proved to be a congenial abode for syndicalism. The education of Englishmen in constitutional government has been too long and thorough to permit them to be readily attracted by the prospect of a doubtful paradise to be attained by an orgy of undoubted villainy; the tradition of majority rule—of motions, amendments, debates, votes, decisions, obedience, orderly progress—is too firmly implanted in their habits of life and modes of thought to allow them to contemplate with approval the establishment of a violent dictatorship by an illuminated minority. Wales and Scotland, especially in the regions of the coalfields, have shown themselves less immune from inoculation by the syndicalist virus. The first serious carrier of the poison was a Mr. Haywood, who in 1910 came as an emissary from the American I.W.W. to stir up the South Welsh miners to revolt. The fruits of his in-

flammatory activity were seen in the great coal strike of 1911 and the kindred railway strike of 1912, both of which were distinctly syndicalist, that is, revolutionary in character. Still more clearly was syndicalist influence evident in the frankly criminal programme of that amazing pamphlet—probably never intended for general publication—entitled *The Miners' Next Step*, which was revealed in the pages of the *Western Mail* on February 27, 1912. In this programme insidious and remorseless war against the mine-owners was declared; the ruin of the mining industry was deliberately planned; and then, as the culminating step, was foreshadowed the appropriation of the derelict pits by the miners' federation which would work them for the benefit of the miners alone. The concluding paragraph runs: "Our objective begins to take shape before our eyes; every industry thoroughly organised in the first place to fight, to gain control of, and then to administer that industry." It does not seem to have occurred to the authors of this wild and wicked manifesto that the organisation of a fighting force and the organisation of a productive association are so different both in form and in spirit that the conversion of the one into the other is unthinkable. The transformation of munition works into municipal dairies is simple in comparison.

The culpable failure of the British government to recognise the revolutionary character of the great strikes of 1911 and 1912, and the partial success which they were weakly and disastrously allowed to achieve, encouraged the spread of the syndicalist myth. Hence in 1913 was formed the Triple Alliance of miners, railwaymen, and transport workers, for the purpose of the more effectual holding up of the community, the more complete defiance of the law,

and the more entire supersession of the state. This formidable industrial coalition was preparing a gigantic combined attack upon the rest of the nation in the autumn of 1914, when the Germans anticipated it by starting the great war.

During the war the syndicalist poison—anti-patriotic, disloyal, treacherous, unscrupulous, greedy—manifested itself in a thousand abominable and subversive ways. Fortunately for the country, and for the cause of freedom in the world, the great masses of the working men, together with the sane and sound majority of every rank and class, recognised the reality of the German menace, and refused to be led astray by defeatist intrigue.

After the war, amid the difficulties of demobilisation and the dangers incident to the peace settlement, syndicalism lifted its evil head, and by its craft and subtlety helped powerfully to stir up civil dissension and to prevent the return to tranquillity and prosperity. Its principles and propaganda were at the back of the great railway strike of September 26 to October 5, 1919; they fomented the general coal strike of October 18 to November 4, 1920; they inspired the immense, but happily abortive, rising of the Triple Alliance which began on April Fools' Day, 1921, and collapsed on the misnamed "Black Friday," fifteen days later. Above all, they made their supreme effort in the attempted and frankly revolutionary general strike of May 1 to 14, 1926—a strike which aimed a mortal blow at parliamentary government in Britain; a strike which cost the country hundreds of millions of money; a strike which reduced the trade unions to bankruptcy; a strike which completed the ruin of the coal industry; a strike which threw scores of thousands of work-

people in many avocations permanently out of employment; a strike which inflicted more misery upon a larger number of innocent victims than any other recorded episode of the insane Marxian fury of the class war in Great Britain.

Since May, 1926, syndicalism in this country has been under a cloud. But so long as Mr. A. J. Cook guides the miners' federation; so long as Mr. Tom Mann inspires the engineers; so long as Mr. George Lansbury fulminates at large; so long as "direct action" remains an avowed means of socialistic advance to ascendancy; and so long as moderate labour leaders are afraid to withstand the wild and wicked devices of their extreme followers—so long will syndicalism remain a portent and a menace to civilised society in Britain.

## § 4. Guild-Socialism

We have remarked that syndicalism—however dangerous when camouflaged as "industrial unionism"—because of its complete repudiation of political action and its avowed intention entirely to destroy the state, has, in its pure form, made but little *theoretic* appeal to Englishmen. Even Mr. Tom Mann, its chief exponent and advocate in Great Britain, does not seem to contemplate the *total* extinction of parliamentary government: he merely proposes means by which parliament may be coerced and compelled to obey implicitly the commands of the dominant trade unions.* One does not, how-

* For Mr. Tom Mann's proposals see Harley, J. H., *Syndicalism* (1916), pp. 44-45. *Cf.* also Mr. Mann's pamphlet, *Power through the General Strike* (1923).

ever, expect logic or consistency from a syndicalist. His avowed irrationality exempts him from the restrictions which the laws of thought place upon most other ideologues. He is quite capable of wishing at one and the same time to abolish the state and to coerce it.

There were, however, some twenty years ago in England a number of young academic revolutionaries who, though filled with admiration for syndicalism, desired, on the one hand, to fit it into a coherent philosophical system, and, on the other hand, to combine it in practice with some sort of a political organisation. These academic revolutionaries were the creators of so-called guild-socialism. Guild-socialism was a peculiarly British product; a compromise or cross between Fabianism and syndicalism; visionary, middle-class, impracticable, nebulous, futile. For ten years (1912-1922) it played some part on the field where revolutionary theories fight and destroy one another; but since 1922, when its great experiment, the building guild, exploded and vanished into thin air (taking with it a good deal of capital confidingly placed in it by deluded innocents), it has been moribund, and now it may be regarded as defunct.

But, though no longer within the sphere of rampant revolutionary politics, it has a certain historic interest. It fills an otherwise vacant place in the gallery of possible aberrations of the human mind. It stands on the spot where Marxism merges into anarchism, combining in a unique manner the leading characteristics of tyranny with the leading characteristics of chaos. It rose as a revolt against Fabian socialism; as a protest against collectivism; as a repudiation of the interference of the state (a

purely political organisation) in industrial concerns. Its creators denounced, with a ferocity of language and a bitterness of invective which at once gave it an evil prominence among subversive systems, the bureaucratic despotism of what they called "Sidney Webbicalism." In place of state control of industry, they advocated a reversion to the autonomous guild control which had flourished in the later middle ages. They found ready to their hands a highly idealised, extremely inaccurate, but delusively attractive picture of the mediæval guild-system in a work written by a certain Mr. A. J. Penty in 1906.* They adopted Mr. Penty's imaginary history, developed his immature ideas, mixed them with Marxian economics, Fabian politics, and syndicalist tactics, to produce one of the most extraordinary hotch-potches in the record of juvenile speculation. It would be an amusing farrago of nonsense if it were not completely marred by an overweening conceit, an irritating and quite unwarranted contempt for other manifestations of absurdity, a vicious temper, and a gross intolerance.

The chief early exponents of the guild-socialist idea in its more elaborate and fantastic forms were Mr. A. R. Orage, Mr. S. G. Hobson, and Mr. G. D. H. Cole.† The guild propaganda, aggressively offensive, was first fully launched in 1912; a National Guilds League, whose purpose was to win the world

* Penty, A. J., *The Restoration of the Gild System* (Swan Sonnenschein, 1906).

† Orage, A. R., articles in *The New Age*, of which he was editor (1907 *sq.*); Hobson, S. G., *National Guilds* (1914); Cole, G. D. H., *Self-Government in Industry* (1917), and numerous other works, each of which—since Mr. Cole speaks before he has finished thinking—sets forth a system differing from that of its predecessor.

of labour, and especially the trade unions, to guildism, was instituted in 1915.

The principles of guildism can be briefly stated: that they are much more closely akin to syndicalism than to socialism will be at once obvious. First, guildsmen, like syndicalists, clamour for what they call freedom and self-government in industry. They demand the emancipation of labour equally from the dominance of capital, the control of employers, and the authority of the state. Each profession, craft, or industry is to be entirely autonomous. Secondly, all the members of each profession, craft, or industry are to be organised in a gigantic "producers' guild," which is to enjoy a complete monopoly in its own particular sphere of operation. It is to elect its own officials, to determine its own hours and conditions of work, to fix its own wages, and announce the prices at which it will dispose of its wares. Thirdly, all the "producers' guilds" are to be associated in a national system, an economic parliament, which, without any interference from any political or religious authority, shall determine all general questions of commercial and industrial policy. So far we have syndicalism pure and undiluted, and the syndicalism becomes even more clearly evident when we find that this guild-organisation is to be established on the ruins of a capitalism which is to be destroyed by a violent revolution of the genuine Marxian type. A fourth element, however, displays a modification of Marxism, and a departure from syndicalism. Recognising that economics do not cover the whole of life; perceiving that even in the economic sphere consumption is at least as important as production; and admitting that unlimited power placed in the hands of such a "guild" as

the miners' federation, and exercised by such an official as Mr. A. J. Cook, might result in an appalling tyranny, the thoughtful ideologues of the guild fairy-world adumbrate the creation of some sort of a political organisation, to exist side by side with the economic organisation, for the purpose (1) of dealing with non-economic matters, such as internal police and foreign relations; (2) of safeguarding the interests of consumers; and (3) of putting some restraint upon the tyranny of the irresponsible producers' guilds. The constitution of the dualistic state thus contemplated—especially in its latest elaboration by Mr. Cole—is a complicated nightmare of committees and joint-committees which reminds one of machinery made by boys out of "meccano."* Mr. J. A. Hobson, although by nature in sympathy with subversive novelties, finds the dualism of guild-socialism too much for his fancy. In a book, published by the National Labour Press, he says: "The notion of two states, one a federation of trades and guilds, running the whole body of economic arrangements for the nation by representative committees based upon the common interest of industry, the other a political state, running the services related to internal and external order, and only concerned to intervene in economic affairs at a few reserved points of contact, will not bear criticism."†

Apart from the practical unworkability of guild dualism—this vain and hopeless attempt to divide sovereignty, resembling the attempt to find two centres of gravity in a single mass—the economic objections to guildism leap to the eye. First, it would produce chaos in industry in place of such

* Cole, G. D. H., *Guild Socialism Restated* (1920).

† Hobson, J. A., *The Fight for Democracy* (1917), p. 32.

order as now exists: agitation, intrigue, indiscipline, slackness, everything except steady work, would flourish in rank luxuriance. Secondly, it would cause stagnation in industry: there would be no further inducement to improve methods, to introduce new inventions, to consult the desires of consumers, to display any sort of interest or energy in production; in short, the deadliest professionalism would have unchecked sway in all avocations. Thirdly, and as a consequence, output would diminish, and prices would rise. Fourthly, the possession of monopoly, especially in the necessaries of life, would give to the guilds a power of life and death which no restraint of the consumers' councils and the national parliament, short of civil war, could prevent from developing into the most appalling despotism. Finally, national bankruptcy would speedily bring the whole crazy structure to the ground.

That this estimate of guildism as a practical method of industrial organisation is not merely speculative, is demonstrated by the history of the builders' guild, established 1920, reconstituted 1921, bankrupt 1922. This builders' guild was the supreme effort of the guildsmen to manifest to an admiring world the superiority, over capitalist industry run for profit, of industry run on guild principles—that is, without capital, without wages, without discipline, without energy, and without intelligence. The circumstances of its institution were peculiarly favourable: there was an urgent and general demand for houses; limitless work was crying aloud to be done; government subsidies and municipal loans provided large and secure funds; the co-operative societies were lavishly generous in supplying capital on easy terms; many private enthusiasts placed their money,

free of interest, at the disposal of the guildsmen; the *Guild Socialist*, month by month, added the stimulus of glowing praise, wide publicity, and confident boasting. Nevertheless, the whole project disastrously and ludicrously collapsed within two years, involving its promoters in both extreme humiliation and heavy loss. Hence, when in 1924 Mr. Wheatley, an ardent sympathiser with the guild idea, became Minister of Health in Mr. Ramsay MacDonald's cabinet, and as such took up the task of providing the new nation with jerry-built houses fit for heroes, although he would have rejoiced to pour orders upon the guild, instead of the guild he found only angry guildsmen wrangling like Donnybrook Irishmen as to whose fault it was that the guild had collapsed. For houses, therefore, to his great regret, he had to revert to capitalists. The *Guild Socialist* of December, 1922, in its disgust and wrath at the failure of the great experiment, exposed with considerable freedom the causes of the fiasco. The bankruptcy of the builders' guild, it frankly admitted, was not due to adverse extraneous influences; it was due to internal defects. The guild was wrecked by the laziness, the incompetence, the quarrelsomeness, and the indiscipline of its members. (1) *Laziness:* "In one case a guild committee, barely begun on a public contract, authorised a full week's pay for the men to attend a local race-meeting." (2) *Incompetence:* "There has been an absence of technical knowledge due sometimes to the mere chance that the wrong men have been elected, sometimes to the simple fact that no competent man was available." (3) *Quarrelsomeness:* "In one district, competent and incompetent were mercilessly swallowed up in a series of personal vendettas which literally drew tears

from a friendly observer." (4) *Indiscipline:* "The local men are afraid to speak frankly to, or about, their daily associates," hence for the enforcement of any sort of rules appeals had constantly to be made to the head office.

The builders' guild, in short, was wrecked on the fallacious principles of its founders and on the defective characters of its members. Guild-socialism in action revealed to the world the fact that in so far as it is not syndicalist tyranny it is industrial anarchy. In common with every other type of socialism, it fails when it attempts to produce anything. However effective socialism may be in seizing wealth produced by others, in expropriating landlords and capitalists, in confiscating, taxing, and levying; however successful it may be in dividing up existing property among its devotees and disciples; however fruitful it may be in the creation of a population of parasites and paupers dependent upon doles—when it comes to the work of producing wealth; work that requires energy, intelligence, sacrifice of pleasure, co-operation and co-ordination of effort, punctuality, diligence, thrift; then socialism breaks down. It discourages and damps down all the instincts of hard, creative toil; its genius is purely predatory. In the sphere of production the history of socialism in all its protean forms—Utopian, Marxian, Fabian, Guild—is a long and lamentable record of unrealised theories, addled experiments, and disillusioned dupes.

# PART III
# CRITICAL

# CHAPTER IX

## MERITS OF SOCIALISM

"A man is truly impartial when, though convinced that one side is right, he sees the arguments for the other side, sets them down fully, and then refutes them to the best of his ability."—GILBERT MURRAY.

### § 1. THE EXISTENCE OF MERITS

IF any readers have done me the honour to peruse what I have written up to this point, they have probably discovered — however carefully I may have striven to conceal the fact—that I take an unfavourable view of socialism. Now that I have finished with analysis and with history, and have come to criticism, I may as well confess openly that I regard socialism, especially in its most virulent or Marxian form, as one of the most disastrous blights that have ever afflicted humanity, and in particular as the greatest curse that has ever deluded and depressed organised labour. Before, however, I proceed to enlarge upon that theme, and to descant upon the defects of socialism, I wish to dwell for a short time on its exiguous merits. If it had no merits at all, but were a system merely evil, I should despair not only of it but also of human nature as well. For if a system merely evil had spread so widely as socialism has spread, and had won so many enthusiastic disciples as socialism has won, I should be compelled to regard the human race as beyond redemption—as a race in which knaves or fools were in so

large a ratio as to make democracy synonymous with degeneration. It is possible to retain one's faith in the future only by clinging to the belief that, however mistaken and deluded the masses of socialists may be, they are attracted by aspects of their irrational and deleterious creed which are not simply criminal or ridiculous.

We noted at the beginning of this survey, when we were examining the six essentials of socialism, that, although the four economic essentials (viz., the elimination of the capitalist, the expropriation of the landlord, the extinction of private enterprise, and the eradication of competition) are almost unmitigated iniquities or follies, the two other essentials (viz., the exaltation of the community over the individual, and the demand for the equalisation of human conditions) contain idealistic elements which make a strong appeal to the higher and nobler traits in human nature. It is in the political and social, not in the economic, doctrines of socialism that such merits as it possesses reside. These merits, of course, are not peculiar to socialism. It shares them with social reform, with philanthropy, with applied ethics, with humanitarianism, with positivism, with practical Christianity, and with many other forms of moral and religious beneficence, none of which associate their social and political merits with the rank and intolerable economic demerits of socialism. It is the existence of this small common factor in socialism and practical religion—this common desire to stress the fact that we are members one of another, and to improve the lot of the lowly—that alone makes possible the preposterous claim that "socialism is merely applied Christianity." So absurd an identification could be made by those alone who en-

tirely ignore the mundane and predatory economic essentials of socialism—essentials which, particularly in the Marxian system, alone count for anything at all in the sphere of practice.

## § 2. Vivid Description

On the social and political side, the merits of socialism may be summarised under the two main heads of (1) vivid description and (2) passionate appeal. As one hears the fiery speeches of the street-corner orators, or as one reads the fervid rhetoric of the popular socialistic manuals, one is reminded of the lurid advertisements of the vendors of patent medicines who try to terrify the masses into trying their nostrums by horrible delineations, highly magnified, of their present deplorable condition. The delineations contain just sufficient truth to engender credulity and stimulate trust. They create an emotional atmosphere in which it is easily forgotten that vivid description and passionate appeal are quite compatible with false diagnosis and quack remedy. Mr. Fred Henderson's *Case for Socialism*, for instance, is really only his (largely imaginary) *Case against Capitalism*; his book consists of little else than vehement (and grossly exaggerated) denunciation of the existing system of industry. Presumably he supposes that if only he can get people to believe what he says about capitalism, they will say, "We may as well try socialism, for it cannot be worse." Similarly Mr. Alban Gordon, in his *Common Sense of Socialism*, sets the keynote of a highly hysterical threnody by telling a sad but totally irrelevant story of a poor woman in Lambeth who died "from syncope accelerated by starvation." Then,

having injudiciously stated that "the industrial revolution of the late eighteenth and early nineteenth centuries brought the capitalist system into existence," he proceeds to accuse the said capitalist system of being "the direct cause of poverty" and of most of the other evils and inconveniences evident at the present day; just as though none of them had existed before A.D. 1750! Gross, however, as are the exaggerations in socialistic writings, and unwarrantable as is the assumption that a person who can discover a real evil can necessarily prescribe a remedy for it, there can be no question that it is a genuine merit of socialism that it has drawn attention to serious defects in our industrial organisation, and to grave diseases in the body politic. Hence, among the good points of socialism we will admit that (1) "*It depicts, vividly and effectively, the evils of the existing social and economic system*, even though it depicts them in too lurid a light, and fails to place them in their proper perspective. It is not, of course, true that things are worse now than they were a hundred years ago, or before the industrial revolution, or in the middle ages. Socialists who picture a golden age of merriment and rude plenty in the past are mere writers of fiction, devoid of any historical justification for their auriferous dreams: for many centuries past there has been a steady improvement in the condition of the people, and the general standard of comfort is higher now than it has ever been before. Nevertheless, whatever be the cause, it is obvious that even now things are far from ideal. Inequalities of wealth are too great to be satisfactory; the number of those who live near or below the margin of poverty is too immense to be tolerable; the co-existence of widespread want with the limitless productive capa-

city of modern industry is an anomaly too absurd to be regarded as permanently permissible; the squalor and degradation of the slums of our large cities are evils which cry aloud for a remedy. In spite of all that science and religion have done, as Dr. C. D. Burns tells us, "the most important fact of contemporary life is the impoverishment, enslavement, suffering, and premature death of most of the population in every civilised country."* Even though this important and most deplorable fact may be predicated of every age as well as the present one; and even though in every age impoverishment and its attendant evils are largely due, on the one hand, to vice (*e.g.*, laziness, drunkenness, debauchery, gambling), and, on the other hand, to the insane tendency of the pauper proletariat to breed with reckless disregard of consequences—even so, it is well that the conscience of the community should be constantly stirred by being confronted with the spectacle of this lost and lamentable underworld existing beneath the surface of progressive civilisation.

Hence the utopian socialists of a hundred years ago did well to point out the ills which accompanied the industrial revolution—the distress of the old-time craftsmen, the demoralisation of the new factory towns, the danger of excessive hours of labour, the deplorable results of the employment of very young children, and so on—even though their suggested remedy for these ills—viz., the establishment of small communistic villages—was a ludicrous pill for the cure of so tremendous a social earthquake. Similarly, the so-called Christian socialists of the hungry forties—Ludlow, Maurice, Kingsley, and their fellows—were more than justified in exposing, in such books

* Burns, C. D., *Principles of Revolution* (1920), p. 48.

as *Alton Locke* and *Yeast*, the evils of soulless commercialism, even though their panacea—viz., co-operative workshops—proved to be a hopeless failure. Even Marx and Engels, false as was their diagnosis of the ailment of capitalist society, and poisonous as was their quack nostrum for its eradication, were useful as disseminators of authentic information calculated to shock the comfortable out of their complacency: Engels' *Lage der arbeitenden Klasse in England in* 1844, when translated, rightly caused a painful sensation; and the strength of Marx's *Kapital* lay in its descriptions. Laveleye well remarks: "It is the description of these evils, attributed to competition, which forms the starting-point for all shades of socialism: the greater part of Karl Marx's famous book, *Kapital*, is nothing more than an abstract of the miserable and even revolting facts which are proved by English parliamentary documents."* Again, the Fabian socialists may have been singularly unscrupulous in their use of facts and figures, and absurdly over-confident in the efficacy of their simple universal cure-all, the bureaucratic state; nevertheless they unquestionably did valuable service by demonstrating the waste engendered by unrestricted competition, the abuses incident to unmitigated *laissez-faire*, and the sufferings consequent upon the unregulated struggle for existence. The syndicalists and the guild-socialists, too, although their violence and irrationality make it necessary to describe them as enemies of the common weal, all the same, in the midst of their evil work, did some compensatory good by drawing attention to the lack of liberty, and the absence of opportunity

* Laveleye, É. de, *Socialism of To-day* (English Translation, 1884), p. 82.

to live the larger life of culture and humanity, which modern conditions of industry entail.

In short, we may admit generally, with Laveleye, that " socialism has rendered a real service by calling attention to the evils and iniquities of the existing social order, and by awakening in the hearts of all good men the desire to apply a remedy."* Dr. Flint, indeed, is right when he says that " it is largely because of the amount of truth in their teaching as to the prevalence of disorder and anarchy, disease and misery, in society, that their [the socialists'] views have obtained so large a measure of sympathy and success," and that " socialism owes its success, not to the validity of the reasons advanced for its doctrines, but to the widespread dissatisfaction of the working classes with their condition."† Professor Ely concurs in the opinion that the strength of socialism resides on its negative or critical side, and that while its positive proposals are worse than worthless, " it points out real defects in our present social order," and " its indictment of existing institutions is a powerful one."‡ To the same effect Dr. Schäffle writes of socialism: " Its strong point, and—be it openly confessed—its highest merit, lies in criticism, a criticism mainly directed against the political individualism which is known as *liberalism*, and the economic individualism which is known as *capitalism*."§ Mr. Skelton generalises: " Criticism is the socialist's trade, and it is a trade he finds it difficult to give up after working hours."‖

* Laveleye, *op. cit.*, p. 272.

† Flint, R., *Socialism* (1895), pp. 256, 327.

‡ Ely, R. T., *Socialism* (1894), p. 253.

§ Schäffle, A., *The Impossibility of Social Democracy* (English Translation, 1892), p. 9.

‖ Skelton, O. D., *Socialism* (1911), p. 296.

### § 3. Emphasis on Influence of Environment

Closely akin to this first merit of socialism, but, like it, heavily discounted by gross over-statement, is the fact that (2) *It stresses the importance of environment as a determinant of character and of destiny.* Whereas Christianity, and religion generally, have stressed the view that man's misfortunes are due to his own or his parents' sins, socialism has emphasised the opposite truth that many of his disabilities are due to circumstances over which he, the unhappy victim, has no control, and for which his ancestors are wholly irresponsible. In particular, it draws attention to the fact that in these days of large-scale industry, world-markets, cosmopolitan finance, international politics, and universal wars, whole classes of innocent and helpless individuals are tossed about—into unemployment or overwork, into affluence or destitution, into peace or conflict—with no more power of self-determination than a shuttle in the midst of a mechanical loom. Hence it is able to make a powerful and effective claim that impotent victims of gigantic economic forces utterly beyond the sufferers' cognisance and control should not be allowed by society to perish in the days of their calamity. The fact that it weakens and prejudices its case by frequent denials that personal vice and excessive breeding are independent causes of pauperisation; denials that character can mould environment; denials that intelligence and will can often convert calamity into success—this perverse over-emphasis upon circumstance as the determinant of fortune must not blind us to the service which socialism has rendered by stressing one side of a twofold truth.

### § 4. Passionate Appeal

Socialism, as a result of its criticism of existing social and economic conditions, and as a consequence of its tendency to attribute all calamities to circumstances over which the victims have no control, displays another feature which—in spite of the fact that it is based on half-truths exaggerated to the magnitude of whole truths—may be admitted to be a merit—viz., (3) *It arouses the communal conscience, making it alive to the "condition of the people" problem.* It denounces exploitation; it excites sympathy for the poor and weak; it demands justice for the oppressed; it asserts the responsibility of the community for the lost and the forlorn; it makes a powerful appeal for social service and for public assistance.

### § 5. Stimulus to Reform

Hence, although, as usual, it goes to an extreme, and tends to discourage self-help and enterprise by systems of debilitating and demoralising doles, nevertheless (4) *It stimulates necessary and useful social reforms.* There can be no doubt that it has rendered good service by aiding in the attack on antiquated privilege and iniquitous monopoly; by helping to expose cruelty and tyranny; by furthering the movement for shorter hours of labour, better conditions of life, more effective precautions against accident and against injury to health, and so on. The Fabian socialists, in particular, however impure their motives, and however insidious their methods, by their assiduity in obtaining admission to government offices, municipal and county councils, boards of guardians, and administrative committees, have

exercised a powerful influence in favour of right and necessary (as well as unnecessary and vicious) "social reforms." Many of the severest critics and strongest opponents of the socialist economic programme are cordial in their recognition of the good which socialists unwittingly, and sometimes unwillingly, have done by assisting the cause of sane social amelioration. Dr. Beattie Crozier, for instance, in the midst of a vehement condemnation of the labour theory of value, breaks off to say: "As a noble ideal for the elevation and amelioration of the great masses of men, the spirit, soul, or essence of socialism has my fullest sympathy."* Similarly, Mr. Arnold-Forster, at the close of his long and damnatory analysis of *English Socialism of To-day*, states that "it is the principal, if not the only, merit of the socialist teaching, that it professes to be actuated by a spiritual motive, and to depend for its accomplishment upon the acceptance of an ideal."† Mr. Kelly admirably summarises that ideal when he says that "in the co-operative commonwealth there will be no prisons, no penitentiaries, no almshouses, no tramps, no unemployed . . . no anxiety regarding the means of existence."‡ Finally, Professor Flint, in his masterly monograph, says more at length the best that can be said respecting socialism on its more amiable side—that is, respecting socialism as a participator in the improvement of the existing social system rather than as a violent or insidious assailant of that system. "Socialism," he remarks,

* Crozier, J. B., *History of Intellectual Development*, vol. iii. (1901), p. 93.

† Arnold-Forster, H. O., *English Socialism of To-day* (1908), p. 189.

‡ Kelly, E., *Twentieth Century Socialism* (1910), pp. 271-272.

" is morally strongest in its recognition of the great principle of human brotherhood. In all its forms it professes belief in the truth of the idea of fraternity. It proclaims that men are brethren, and bound to act as such; that they are so members one of another that each should seek not only his own good but the good of others, and, so far as it is within his power to further it, the good of all. It vigorously condemns . . . the oppression of the poor and feeble, and it glorifies . . . sympathy with those who are in poor circumstances and humble situations. It is a spirit which recognises . . . that society cannot too earnestly occupy itself with the task of ameliorating the condition of the class the most numerous and indigent. There we have what is noblest and best in socialism; what has made it attractive to many men of good and generous natures."*

## § 6. Enlargement of the Idea of the State

In pursuit of social reform, and in order to realise the ultimate ideal of a complete reconstruction of the economic system, socialism—and more particularly socialism of the Revisionist and Fabian types—displays a further merit, in that (5) *It tends to enlarge and enrich the current conception of the state,* restoring it to something of that fulness and comprehensiveness which it manifested in the great days of Plato and Aristotle. In collectivist theory, at any rate, the idea of the state as an organism supplants the individualistic idea of the state as an organisation; the conception of the state as the sphere

* Flint, R., *Socialism* (revised edition, 1908), p. 257. Dr. Flint proceeds: " But socialism is much else beside this, and often very different from this," etc.

of the good and complete life supersedes the conception of the state as the antagonist of the individual and as the enemy of freedom, whose "interferences" are to be restricted to the minimum consistent with the defence of life and property. This conception, unquestionably, elevates and ennobles politics, and makes the state a more effective agent for the realisation of the collective ends of the community as a whole. Mr. Gronlund voices the state-socialist view excellently when he says: "The state is not some power outside the people, but the social organism itself, and as an organism it is destined to grow until it embraces all social activities."* What more could either Plato or Hegel say ?

These, it seems to me, are the five main merits of socialism.† They are not inconsiderable. They

* Gronlund, L., *The Co-operative Commonwealth* (1886), p. 104.

† I observe that in Signor Guido de Ruggiero's *History of European Liberalism*, recently translated by Mr. R. G. Collingwood for the Oxford University Press (1927), a sixth merit is claimed for socialism (p. 391):

"In uniting working men for the purposes of class warfare, socialism has achieved something of permanent spiritual value. It has raised a mass of men, whom it found in a state of brutalising servitude, to the human level of antagonists in a battle; has aroused in them a sense of their dignity and autonomy; and has advanced their differentiation as a class from within. The present position of the working man, as a man and not a mere machine or commodity, is largely due to socialism, which thus appears as the greatest movement of human emancipation since the French Revolution. If we remember the mean and inhuman harshness displayed by early nineteenth-century liberals towards the urgent social problems of their times, we cannot deny that socialism, for all the defects of its ideology, has been an immense advance on the earlier individualism, and, from the point of view of history, has been justified in attempting to submerge it beneath its own social flood."

are, indeed, so considerable that they serve to explain how it is that, in spite of the enormous defects, moral and intellectual, which socialism displays alongside these merits, many sincere and worthy men have not hesitated to call themselves socialists and to work for the socialist cause. In order that we may see how mistaken they have been, let us turn to examine the defects of socialism.

# CHAPTER X

## DEFECTS OF SOCIALISM

"Socialism is open to several grave objections, and, although the task of overthrowing ideals is not a pleasant one, we must endeavour to make these objections as clear as possible."—Professor J. S. Mackenzie.

The merits of socialism, as we have just seen, lie in the spheres of imagination and emotion: they consist of vivid description and passionate appeal which stir the civic conscience and rouse the communal sensibility. The defects of socialism manifest themselves rather in the spheres of reason and action: they display themselves in a radically false diagnosis of the ills of the body politic, and in the prescription of a fatally dangerous specific for their treatment. In other words, the defects of socialism consist, on the one side, of mental illusion, and on the other side, of practical impossibility. Let us consider first some of the mental illusions, or theoretical errors, of socialism. Many of these have already been indicated in the historical section of this survey; it will be well, however, briefly to enumerate them again, and to give point to them by a few select quotations.

### I. INTELLECTUAL DEFECTS

#### § 1. Distortion of Objective Facts

(1) *Socialism distorts and misinterprets objective facts.* On the one hand, it presents a radically false picture of the past. Its exclusively, or at any rate

excessively, economic interpretation of history is unbalanced and misleading. Its delineations of the felicities of primitive communism or mediæval communalism are mere figments of the fancy: in particular, in regard to our own country, its representation of the fifteenth century as "the golden age of English labour" is a gross illusion, based on long-exploded statistical errors of Thorold Rogers. On the other hand, by contrast with the over-bright background of the past, it depicts a deeply over-darkened foreground of the present. And it does so deliberately, for the express purpose of fomenting an unwarranted unrest. Professor Flint well says of socialists: "By the selection only of what suits their purpose, by the omission of all facts, however certain and relevant, which would contravene it, and by lavishness in exaggeration, the past and present of the labouring classes are so delineated as to embitter their feelings and pervert their judgments, while their future is portrayed in the colours of fancy best adapted to deepen the effect produced by the falsification of history and the misrepresentations of actuality."* This severe stricture applies even to the writings of such educated and well-meaning people as J. L. and B. Hammond, whose gloomy descriptions of *The Village Labourer* and *The Town Labourer* during the industrial revolution (1760-1832) need to be corrected, as to their background, by such studies as those of Dr. Mabel Buer,† and, as to their foreground, by the masterly and conclusive refutations of Dr. J. H. Clapham.‡

* Flint, R., *Socialism* (1895), p. 105.

† Buer, M. C., *Health, Wealth, and Population in the Early Days of the Industrial Revolution* (1926).

‡ Clapham, J. H., *Economic History of Modern Britain* (1926).

If, however, one wishes to see the lengths to which wilful or ignorant perversion of historic fact can go, when inspired by political passion, and in the interest of subversive propaganda, one may most conveniently turn to such publications as Mr. Mark Starr's *A Worker Looks at History*,* or Mr. Alfred Barton's *A World History for the Workers: A Story of Man's Doings from the Dawn of Time, from the Standpoint of the Disinherited.*† As to perversions of present-day economic and social fact; they are the staple pabulum of almost every socialistic book, pamphlet, or periodical issued from the press. Socialism would wither and perish on a diet of uncooked truth. "Exaggeration," said John Stuart Mill, "is not wanting in the representations of even the ablest and most candid socialists."‡ Of the rank and file of the less candid and more sophisticated socialists, the utterances are a mere mass of tendencious *mis*-representations. Once again to quote Dr. Flint: "Assertions the most untrue, yet which are sure to be readily believed by many, and which cannot fail to produce discontent as widely as they are believed, are boldly and incessantly made in all ways and forms likely to gain for them acceptance. I refer to such assertions as these: that the labourers do all the work and are entitled to all the wealth of the world; that the only reason why they require to toil either long or hard is that they are plundered by privileged idlers to the extent of a half or three-fourths of what

* Published by the Plebs League, 1919.

† Published by the Labour Publishing Company, 1922.

‡ Mill, J. S., *Chapters on Socialism*, published posthumously in *The Fortnightly Review* (1879), vol. xxv., p. 373. Mill gives examples of socialist exaggerations respecting wages, competition, adulteration, and the rewards of capital.

is due for their services; that capitalists are their enemies; that mechanical inventions have been of little, if any, benefit to them; that they are as a class constantly growing poorer, while their employers are constantly growing richer," and so on. "Vast discontent," concludes Dr. Flint, "may be produced by such procedure and teaching, but it can only be a most dangerous and destructive discontent. It is a false discontent, because founded on falsehood."*

## § 2. Misinterpretation of Human Nature

(2) *Socialism misreads and misrepresents human nature.* Not only is it objectively wrong; it is also subjectively false. Its psychology as well as its history is erroneous. Its exaltation of the community over the individual does violence to ineradicable and socially necessary instincts of self-interest and love of family. Its assertion of equality as a primary fact is an illusion, and its elevation of equality as an ideal is a challenge to every healthy person's instinct of emulation and desire to distinguish himself from his fellows by some excellence. It is, moreover, a deadly menace to social progress; for only by means of individual excellence can the improvement of the community be effected. Similarly, the efforts of socialism to extinguish private enterprise and to eradicate competition are mortal blows to those creative, combative, and acquisitive instincts which —however much they may have been abused when unrestrained by conscience—are the very mainsprings of man's most effective economic activities. In a word, they are opposed to that passion for liberty,

* Flint, R., *op. cit.*, pp. 105-106.

that instinct for freedom of self-development, that longing for realisation of capacity and manifestation of power, that desire to expand personality by means of property, which is inherent in every normal and vigorous member of the human race. The socialist mentality is the mentality of the underman, to whom equality means levelling down of superiors; for whom competition connotes defeat and humiliation; and in whose hands private enterprise is but another name for rapid descent into the bankruptcy court. Socialism is the cult of incompetence. It calls upon the failures in life to club together to do the only thing in which they are likely to be successful—viz., to destroy civilisation and to batten for a short period of time on what they can find among its ruins. To *their* suppressed instincts of acquisitiveness and combativeness it makes a powerful appeal. "Socialism in our time" to *them* means unlimited Poplarism—a comfortable living at the expense of other people for as long as the loot lasts. Where, however, the socialist psychology goes wrong is in supposing that the competent will go on indefinitely, like busy bees, producing wealth which is to be filched from them at once (and without thanks) by the incompetent, whether by violent expropriation accompanied by murder, or by the subtler constitutional method of capital-levy and surtax. "This," well says Mr. Harold Cox, "is an aspect of the matter which socialists never seem capable of understanding. Their creed is essentially inhuman; by which I mean it is entirely removed from the real facts of human life. There are certain fundamental instincts which have been with us since the world began, and will be with us till the world ends. Prominent among these are the love of possession, the love of offspring

and the love of liberty."* And under socialism all these fundamental, beneficent, and ineradicable instincts would—except in the case of the undermen —be flagrantly violated.

## § 3. Economic Fallacy

(3) *Socialism propounds fallacious and misleading economic theories.* So much stress does socialism lay on the economic aspect of life and the economic interpretation of history that one would have supposed that in economic theory, if nowhere else, it would have been able to make some sound and serious contribution to knowledge. On the contrary, however, nowhere is it weaker than in its economics. No socialist ranks among the pioneers of the science. Karl Marx, in particular, in spite of all his labours at the subject, stands out only as an unsuccessful and unscientific amateur whose efforts tended merely to confuse and pervert the truth. Yet, after all, the economic sterility and perversity of socialism are not surprising. For the economics of socialism consists essentially in the exploitation of the errors, the half-truths, and the injudiciously expressed paradoxes of the founders of the science. Everything that tends in the predetermined and desired direction—viz., towards the exaltation of labour, the depreciation of capital and land, the discredit of competition, the discouragement of private enterprise, and so on—is seized with uncritical and unscrupulous alacrity, and exploited to the full: witness the disgraceful manner in which Marx fastens on the mistakes of Adam Smith and Ricardo in the opening chapters of *Das Kapital*, and the equally

* Cox, H., *Economic Liberty* (1920), pp. 199-200.

scandalous selection of misleading quotations which give a fictitious air of authority and impartiality to *Fabian Tract No.* 5. Mr. Ellis Barker justly sums up the matter when he says that "socialism has no scientific basis, unless we choose to call science a collection of fallacies expressed in involved terms so as to deceive the simple."*

For example, with respect to the production of wealth; first, *socialism gravely under-estimates* (*where it does not wholly deny*) *the value, both in use and in exchange, of the free gifts of nature.* The French physiocrats may have been in error when they spoke of nature, exclusive of man, as the *sole* source of wealth; but they were far nearer to the truth than are those Marxians who derive the whole from labour. For, after all, what can labour do except one thing, and one thing only—viz., *move* the free gifts of nature? In what sense does a miner "produce" coal? He merely *moves* it from the place where it exists underground to the surface; and, similarly, railwaymen, carters, and firemen do no more than *move* it again and again until it reaches the burning fiery furnace wherein it is consumed. In what sense does a farmer "produce" wheat? He merely *moves* plough, harrow, seed, reaper, thresher, etc. Nature does the rest. In what sense does a carpenter "produce" a box? He merely *moves* wood and iron, which nature has provided, in certain artful ways. Nature is the great source of all wealth, and man "creates" wealth only by his crafty control of motion. No small amount of wealth—*e.g.*, fish from the sea, diamonds from the veldt, timber from the primeval forests of the world—accrues to man simply for the picking up, and it is ridiculous to

* Barker, Ellis, *British Socialism* (1908), p. 472.

speak of it as in any degree "created" by labour or as owing any part of its value to labour. Scarcely less ludicrous is it to regard the natural increase of flocks and herds as in a real sense the product of the labour of the shepherd. He sits and contemplates the stars. Nature does the rest; and he is rich.

Secondly, then, and as a corollary to his underestimate of nature, *the socialist grossly over-estimates the part played in production by labour, and particularly by manual labour.* No doubt the value of many of the gifts which nature freely bestows on man is greatly enhanced by man's skill in moving these gifts in countless ingenious ways. Human exertion—whether mental in devising modes of motion, or manual in putting them into operation—human exertion of every kind which is intended to enhance the value of nature's gifts is labour. If successful in achieving its purpose, it is *productive* labour; if unsuccessful, *unproductive.* In primitive times, perhaps even to the dawn of the industrial revolution two hundred years ago, *manual* labour was the more important type of exertion needed for the enhancement of the value of nature's gifts to man. In recent times, however, the importance of manual labour has declined. Immensely more important are the skill and intelligence embodied in the scientific process and the highly specialised machine. Manual labour in one manufacture after another, and to a large extent even in agriculture, is becoming a superfluity; and the unhappy unskilled labourer, the proletarian of Marx, with his two talents not wrapped in a napkin—viz., his two primitive capacities of lifting weights and procreating children—is an appalling drug in the market. What to do with him, and how

to stop him from breeding, are the two fundamental social problems of the day.*

Thirdly, *socialism grossly misunderstands and misrepresents the function of capital in production.* Now capital is wealth—whether derived wholly from the free gifts of nature, or in part created by the inventiveness and energy of man—which, instead of being consumed as soon as produced is set aside and saved in order to assist in future production. Its two essential characteristics are: (1) prospectiveness, the result of abstinence, and (2) productiveness, the result of its application to industry. It performs vital and indispensable functions in industry; for without it, on the one hand, the buildings, the machinery, the tools, the raw materials required by industry could not be procured; and, on the other hand, the labourers of various grades employed in industry could not be maintained. The period between sowing and reaping; between opening a mine and selling the coal; between projecting a railway and carrying passengers; between planning a factory and delivering the goods, is a long and critical one. Capital, and capital alone, enables it to be bridged. Moreover, at every stage of the development of a business, and in all times of commercial crises, capital is the indispensable means of success. Capital is not parasitic: it is a potent, independent, and vitally important instru-

* *Cf.* Henderson, F., *Case for Socialism* (1924), p. 95: "The almost daily accomplishments of invention are so striking that it is not difficult to look forward to a condition of things in which private capitalism and invention have been carried to such a point as to enable the product of the nation to be turned out by a comparatively small handful of men for a comparatively small handful of owners, the rest of the nation being rendered superfluous for purposes of production." *Puzzle:* how to reconcile this statement with the labour theory of value and surplus value!

ment of production. When therefore socialist writers talk of "functionless capital," and treat capitalists as exploiters and robbers because they expect payment, in the form of interest, for the invaluable services that they render, such socialist writers display either an astounding ignorance of economics, or a deplorable moral obliquity. Let Kautsky, that faithful Marxian, rebuke them: "When we expropriate capital," he says, "we must at the same time take over its social functions."* More easily said than done! Whence will capital come in the socialistic state? Obviously it will have to come from the same sources as at present; and obviously, therefore, its appropriation by the state will leave socialistic labour with the same conviction that it is being robbed of the full produce of its industry. Mr. Ramsay MacDonald is, not unnaturally, worried by the problem; for he fully recognises the independent and indispensable part which capital plays in production. "The provision of capital," he admits, "is another matter. The most elementary common sense sees that from its own production every organised unit of industry should be able to replace the capital which it is using, and that the industry as a whole should be able to supply its capital of expansion. There is also the necessity to provide a capital pool for the general purposes and exigencies of industry. These charges must be provided for if the business is to pay in its various parts or as a whole. How are these provisions to be made?"† How, indeed; if private persons are not to be allowed to save, to invest, and to receive

* Kautsky, K., *The Social Revolution* (English Translation, 1902), p. 136.

† MacDonald, J. R., *Socialism, Critical and Constructive* (1924), p. 192.

interest on their investments ? Plentiful, and therefore cheap, capital is the very life-blood of industry, the stream by means of which unemployed labour is brought back into the full vitality of the body economic. Any wise labour policy should therefore be devoted to the encouragement of thrift, to the fostering of investment, to the strengthening of the sense of security, to the accumulation of capital. Every working man should be urged to become a capitalist, in however small a way, and to provide, as the thoughtful middle class does, some resources against adverse days. Every trade-union should be advised to use its deposited funds as capital for the purchase of shares in the business with which it is concerned, instead of hoarding them in a war chest to be used for the destruction of the business, the affliction of the community, and the ruin of the country. Nothing can exceed the folly and wrong-headedness with which socialism assails and denounces capital, mulcts and menaces capitalists, and boos at that bogey of its diseased imagination, the so-called "capitalist system." Few of the errors of socialism have had more disastrous consequences for the deluded proletariat.

So much concerning socialistic errors respecting the three factors in the production of wealth. I had intended to go on to speak at once of the theoretical errors of socialists in regard to the distribution and the exchange of wealth. But I will defer what I have to say on these themes for a short time, partly because this section is already overlong, and partly because we have touched a point where faulty economic theory merges into pernicious industrial practice. I turn, then, without delay from the sphere of dogma to the world of action.

## II. INDUSTRIAL DEFECTS

### § 4. Removal of Incentives to the Production of Wealth

(4) *Socialism removes incentives to the production of wealth.* The faulty socialistic analysis of the production of wealth which we have just noted has disastrous consequences in the world of industrial activity. On the one hand, the socialistic refusal to recognise the vitally necessary part which capital plays in industry; the absurd socialistic persistence in speaking of capital as "parasitic" or "functionless"; the wild socialistic menace of confiscation or nationalisation; the continual socialistic formulation of projects for capital levies, surtaxes, and other ingenious devices for spoliation—all these suicidal follies and iniquities deter people from saving, make them apprehensive of investing, even make them ashamed of thrift and forethought. They are responsible, too, for much of the extravagant and wasteful expenditure of the rich to-day; for the well-to-do, living under the incessant threat of a socialistic raid upon their resources, and being continually assailed by the angry abuse of those eager to despoil them, not unnaturally say, "Let us enjoy our wealth while yet we have it. Why should we hoard it for the wolves to get it?" Thus it follows that, because of diminished saving on one side and increased extravagance on the other, capital is scarce and dear, bank-rates are high, investors are timid and unadventurous, industry is handicapped, and unemployment is rife. It is not, indeed, too much to say that one half of the unemployment of the country at the present moment is directly and immediately

due to the folly of trade-union leaders acting under the obsession of socialistic error in respect of capital and labour.

For socialistic policy in regard to labour is as fatally mistaken and as mischievous as is its policy in regard to capital. Refusing to see that the wages of labour are ultimately paid out of the product of labour, and that they cannot continuously be paid from any other source; declining, also, to face the unquestionable fact (demonstrated by Sir Josiah Stamp and Professor Bowley) that the present low product of industry is not sufficient to provide a living wage for all our swarming millions; socialist labour leaders continue to advocate restriction of output, ca' canny, shortening of hours without increased efficiency, and so on; they persist in imposing "trade-union conditions" which diminish production without lowering cost; they incessantly organise strikes; they hamper, harass, and annoy employers to the utmost extent of their very considerable power. In no single particular of which I am aware do they lift a finger to assist production, to foster efficiency, to encourage improvement in processes, to stimulate invention, to enlarge and cheapen output. They are mere obstructors and disturbers. And then they say: "The capitalist system as a coherent whole has demonstrably broken down"!* They are like children continually poking sticks into the works of a clock and then complaining that the clock won't go! In spite, however, of the socialists' muddling and meddling, the capitalist clock *does* continue to go, although it is much slower than it would be but for their mischievous activity. The "capitalist

* Webb, S. and B., *Decay of Capitalist Civilisation* (1923), p. 170.

system" has by no means broken down; but that it has not done so under malicious socialist interference is a remarkable tribute to its inherent strength. For "socialism runs directly counter to all the dominant human instincts which cause men to produce. In the name of equality it destroys the freedom which is necessary for effective activity; in the name of co-operation it puts an end to that healthy competition which is the bracing air of industrial activity, and the main means by which the community secures efficient service; in the name of community it deprives men of the capacity to acquire property, and so removes the chief incentive to labour; in the name of nationalisation it appropriates successful private businesses, and thus damps down energy and initiative; in the name of public assistance it discourages both thrift and self-help; in the name of readjusted taxation it institutes a vindictive spoliation of those who, by diligence and self-restraint, have managed to save; in the name of capital levy it projects an orgy of legalised loot. In short, all the principles and all the devices of socialism seem to be as carefully contrived as though they had been designed in Bedlam, to depress labour, discourage enterprise, damp initiative, discountenance forethought, prevent the accumulation of capital, encourage recklessness and extravagance, foster parasitism, ruin industry. In the supposed interests of the proletariat, socialism tends to drag the whole community down to one disastrous level of laziness, incompetence, and destitution."*

We ask the socialists what motive to produce they propose to substitute for that private enterprise, that hope of profit, that desire for independence, that

* Hearnshaw, F. J. C., *Democracy and Labour* (1924), p. 171.

passion to provide for wife and children, that ambition to excel in the world, that aspiration after honourable place and creditable power, which have been the main inducements to economic activity up to the present, and the chief factor in industrial progress. For under the socialistic regime all these individualistic and competitive motives will be damped down as indecent, and disallowed. They reply that they hope that the communal spirit will be strong enough to make men work without thought of personal gain; that they trust that public opinion and mutual supervision will prevent workers from slacking; that they have faith that the instinct of craftsmanship and the natural man's joy in creative activity will keep things going; that emulation and a desire to excel will, apart from pelf and power, stimulate energy and inventiveness! Says that imaginative genius, Mr. Robert Blatchford: "A workman invents a new process. He is rewarded by a medal and by the naming of the process after its inventor. The invention becomes the property of the state."* How extremely appealing! But supposing that the communal spirit is weak; that public opinion is ambiguous; that the instinct to loaf is stronger than the instinct to go on toiling without any hope of gain; and that the desire to excel in a flat world is non-existent. Well, then, only one thing remains, and that is compulsion, the reintroduction of slavery. And to compulsion all the autocrats of communistic commonwealths have ultimately had to resort. To the conscription of labour, to the reduction of the trade-unions to slave-gangs, to the punishment of idleness by death, the dictators of Bolshevik Russia have been constrained to come.

* Blatchford, R., *Merrie England* (1894), p. 127.

And even so—such is the inefficiency of forced labour — the products of Russian industry have declined to a mere fraction of their standard under the capitalist regime. Hence to capitalism the soviet republic is constrained to return, or to starve. Socialism, in a word, destroys all the great incentives which have hitherto led men to engage in hard and continuous industrial toil, and it has put, and it can put, nothing effective into their place.*

## § 5. Lack of Agreed Principle for the Distribution of Wealth

(5) *Socialism has no equitable plan for the distribution of wealth.* We have now seen that in the matter of the production of wealth socialism always and everywhere breaks down. Communistic colonies are pauper settlements; co-operative workshops are subsidised dormitories; self-governing guilds are anarchic and bankrupt debating societies; soviet republics are starving ergastula. In the absence of freedom, and through lack of any normal and natural incentive to work, the average man—who, Mr. Bernard Shaw tells us, is "an obstinate and selfish devil"—degenerates and becomes lazy, quarrelsome, melancholy, and inefficient; for "there is no sincere public opinion that a man should work for his daily bread if he can get it for nothing."†

* On the fatal effect of socialism on the production of wealth, see Rae, J., *Contemporary Socialism* (1891), pp. 332-337; Flint, R., *Socialism* (1895), pp. 244-246; Mallock, W. H., *Studies of Contemporary Superstition* (1895), pp. 266-272; Macnamara, T. J., *Labour at the Cross Roads* (1922), pp. 17-22. *Cf.* also O'Brien, M. D., *Socialism tested by Facts* (1892), p. 15: "Socialism strikes at the very source from which all wealth comes—viz., the personal exertions of individual men."

† Shaw, G. B., *Fabian Tract No.* 45.

Socialism, then, in practice results, and, so far as we can judge, always will result, in a slackening of energy, a decline of interest, a cessation of enterprise, a falling-off of invention, a stagnation of industry, fatal alike to progress and to productivity. For, as Professor Nicholson remarks, "the ideal of socialism is to give the fullest play to those forces which in the past have caused the decay or ruin of nations, and to check those forces which have been the life and soul of progress."* Socialism, indeed, is a consumers' creed. It takes production for granted. It assumes that there is somewhere a great pool of wealth, created by the proletariat but appropriated by the bourgeoisie, which has only to be discovered and divided to place the proletarians in perpetual felicity. *Fabian Tract No.* 5 (tenth edition, revised), for instance, conveys, and is intended to convey, the impression that every year a sum of £1,110,000,000 would be available for partitionment among its proper possessors, if only Fabian justice could prevail. It leaves it to be understood that if the payment of the "three rents—of land, capital, and ability"—which at present absorb this large sum, could be stopped, the wealth which it represents would still go on being created year by year, and would be regularly available for division among the "workers" every Christmas! I have already dealt with this monstrous illusion,† and I refer to it again here merely in order to emphasise my present point —viz., that socialism takes the existence and the continued production of wealth for granted, and concentrates its main attention upon its distribution.

* Nicholson, J. S., *Historical Progress and Ideal Socialism* (1894), p. 11. *Cf.* also p. 15.

† See above, pp. 302-5.

On what principle is this recovered reservoir of riches, and this ever flowing stream of wealth, to be portioned out to the expectant proletarians? How, after the rents of land, capital, and ability have been appropriated for the "workers," will the "workers" be rewarded for their labour?

If socialism were a serious social system—if it had any constructive capacity whatsoever; if it were at all positive and not wholly negative, destructive, and predatory—one would expect it to have a clear and definite answer to this crucial question. What is the purpose of the labour theory of value if not to show that to labour the whole produce of industry is due? When labour collectively has got the whole produce, how is labour individually to be remunerated?

Incredible as it may appear, socialism has no solution of this fundamental problem to offer; and when in practice it has to face it, it can do nothing but revert either to "wage-slavery" or to slavery without wages. Under the present competitive system—except in so far as it has been modified by the authoritative fixing of minima and taxing of maxima—persons are paid according to the socially estimated value of their services. If a great surgeon gets £1,000 for an operation, it is because there are persons who think it worth while to pay that sum; if a noted barrister makes £10,000 out of a single law-suit, it is because his unique ability is considered to be not too dear at the price; if Mr. Bernard Shaw receives £20,000 a year in royalties, it is because there are multitudes of people who want to read his books (other than his *Fabian Tracts*) and to see his plays. If, on the other hand, a schoolmaster has a salary of only £200 a year, the cause is because his

work is within the capacity of many, and because there is no lack of persons willing to do it at that rate; and if an unskilled labourer has a wage of not much above the mere level of subsistence, the cause is that unskilled labour is a drug in the market and that for every post that requires mere bodily strength there are a thousand applicants (apart from horses and machines).

When socialists have put an end to the competitive system—which encourages energy and ability by high rewards and discourages slackness and inefficiency by the pressure of want—how will they distribute such product of industry as may emerge in the new conditions? They have never come to any agreement on the matter! Three rival and incompatible schemes divide them; and concerning these they rage and wrangle like Byzantine theologians concerning the "three chapters" of Justinian. One thing that can be said about all three schemes alike is that they are ethically iniquitous, economically unsound, and socially impracticable. But to say that is simply to say that they are socialistic.

The following are the three conflicting principles of partition:

i. *To each as much as to anyone else—i.e., equality.* "Socialists," says Professor Ely, "wish to secure justice in distribution, but they have not been able to agree upon a standard of distributive justice, although they now generally seem disposed to regard equality in distribution as desirable," and he mentions Babeuf as a pioneer of this equalitarian principle of division.* Among the modern advocates of equal distribution are Mr. Robert Blatchford, Mrs. Besant, Mr. Bruce Glasier, Mr. Harold Langshaw, Mr. Laurence Gronlund, Mr.

* Ely, R. T., *Socialism* (1894), pp. 233 and 15.

John Spargo, and *facile princeps*, Mr. Bernard Shaw. And who would not gladly be raised to an equality with Mr. Bernard Shaw, as in his honoured and opulent old age he sits at ease while the royalties and dividends roll in? A few quotations must suffice. First, Mrs. Besant: "The impossibility of estimating the separate value of each man's labour with any really valid result, the friction which would arise, the jealousies which would be provoked, the inevitable discontent, favouritism, and jobbery that would prevail, all these things will drive the communal council into the right path—viz., equal remuneration of all workers."* Secondly, Mr. Glasier: "There can be no halting until the wage system is completely swept away . . . every worker, whatever be his or her work or inability to work, should be entitled to share equally and fully in all the means of life."† Thirdly, Mr. Langshaw: "Each man's labour-service would be necessary to the community, and for that reason should be allowed an equal share in the wealth jointly created and maintained."‡ Fourthly, Mr. Gronlund: "The hod-carrier will receive as much for an hour's work as the university professor"; but no more, even though his work is harder than the professor's!§ Fifthly, Mr. Spargo: "The ideal to be aimed at ultimately must be approximate equality of income. Otherwise class formations must take place, and the old problems incidental to economic inequality reappear."‖ Sixthly, and finally, Mr. Bernard Shaw: "Socialism is the system of society

* *Fabian Essays* (1890), pp. 163-164.

† Glasier, J. B., *Meaning of Socialism* (1919), p. 70.

‡ Langshaw, H., *Socialism and the Historic Function of Liberalism* (1925), p. 113.

§ Gronlund, L., *Co-operative Commonwealth* (1886), p. 113.

‖ Spargo, J., *Socialism* (1906), p. 233.

where all the income of the country is to be divided up in exactly equal portions—everyone to have it, whether idle or industrious, young or old, good or bad. . . . Any man who does not believe that is not a socialist."* If Mr. Shaw is right in his last statement, there are a good many people who regard themselves as socialists that will find themselves excommunicated. Because there are many who perceive not only how fatal to industrial efficiency any such equalitarian principle would be, but also how utterly unjust it would be. The gravest charge which socialism makes against capitalism is that it takes wealth produced by one class and gives it to another; the equalitarian principle raises that alleged iniquity to the rank of a cardinal dogma; it entirely dissociates remuneration from either merit or need. It is, says Dr. Menger, "an idle and foolish dream."

ii. *To each according to his merit,* whether that merit be measured by the amount of his produce, the genuineness of his effort, or the mere hours of his toil. This is the second principle of distribution: it is the natural corollary of the labour theory of value, and of the Marxian criticism of capitalism in general. It is, moreover, the principle consecrated by the memory of Saint-Simon, who continually preached: "To each individual according to his capacity, to each capacity according to its work." Mr. Ramsay MacDonald seems to accept it when he says: "Service is the only claim the socialist recognises to possession."† But his mind is hazy

* Shaw, G. B., reported in *Labour Leader*, March 31, 1911. *Cf.* also *Daily Chronicle*, December 1, 1911. For criticism see Mallock, W. H., *Limits of Pure Democracy* (1918), pp. 188-200.

† MacDonald, J. R., *Socialism, Critical and Constructive* (revised edition, 1924), p. 132.

on the subject: this principle of reward according to merit, and merit alone, obviously cuts at the root of the principles of the "right to work," the "right to subsistence," the "minimum wage," and Poplarism generally. It is, indeed, like the labour theory of value with which it is associated, a strictly individualistic principle.* Nevertheless, it continues to find a few socialistic advocates. Mr. W. H. Dawson, for example, describing the socialistic state, says: "Every member of this new society will be expected to work, and his share in the produce of labour will be proportionate to his deserts."† Similarly Mr. Sturt contends that "the true principle to be observed in the distribution of wealth is that of public service."‡ Very little reflection, however, is necessary to perceive that if remuneration is given according to merit, socialistic equality will soon cease to exist. The clever, the industrious, the thrifty will once more emerge from the ruck of the stupid, the lazy, and the improvident; and class divisions will ensue. The only possible way to keep superiority from reasserting itself, when once it has been destroyed, is to refuse to allow it to make more than inferiority, or to save anything at all. It will be impossible for socialism to recognise merit and survive. Probably even such recognition as Plato permits in his communistic state—the bestowal of crowns, kisses, adoration, extra wives, and additional food—would be fatal to the necessary flatness of the socialistic paradise. So plainly, indeed, would reward

* *Cf.* Skelton, O. D., *Socialism* (1911), p. 204: "The persistence in socialistic thought of the demand for the full product of one's labour is a survival of primitive handicraft individualism."

† Dawson, W. H., *German Socialism* (1888), p. 3.

‡ Sturt, H., *Socialism and Character* (1922), p. 44.

according to merit be destructive of socialism in practice, that it is needless here to discuss the insuperable difficulty that would be experienced in determining merit authoritatively, whether the standard of judgment were actual product, or effort, or mere socially-necessary labour-time.*

iii. *To each according to his needs.* Not merit (which tends to be small), but need (which tends to be infinite), forms for the proletariat the most attractive principle of distribution. As an innocent anarchist once remarked: "To take everything you want when and where you find it, that is liberty indeed!" That a worker, or a shirker, should receive only so much as he himself produces is not only individualistic, it is also inadequate! "Heaven help the worker, and civilisation as well," naïvely exclaims Mr. Bruce Glasier, "if he, as a citizen, as a civilised man, is entitled to, and is going to be content with, no more than the fruits of his own individual labour as a worker."† Every proletarian who is a citizen, that is who has a vote, must see to it that he has other people working for him, from the proceeds of whose toil he may supplement his own scanty output! In what respect, we may ask, does such a proletarian differ from the capitalist exploiter of the present regime, as he is pictured by the socialistic imagination?

This exploitation of the competent and industrious for the benefit of the lazy and incompetent—this appropriation of surplus value by those who do not

* The question is treated by Simonson, G., *Plain Examination of Socialism* (1900), pp. 131-147, and by Vandervelde, *Collectivism and Industrial Evolution* (English Translation, 1907), pp. 167-171.

† Glasier, J. B., *The Meaning of Socialism* (1919), p. 62.

produce it—is precisely the aim and object of communism. The motto of Cabet for his Icarians was: "From each according to his strength, to each according to his needs." Louis Blanc took up the cry and made it the watchword of his disastrous propaganda of the forties. Karl Marx accepted it as the ultimate communist ideal, and at the Gotha Congress of 1875 it was formally adopted as the aim of social democracy.* Mr. Morris Hillquit (*alias* Misca Hilkowicz) recognised it as the American standard. "To the socialists," he said, "the old communistic motto, *From each according to his ability, to each according to his needs,* generally appears as the ideal rule of distribution in an enlightened human society." In England it has been proclaimed as the true socialistic principle by such representative leaders as Mr. H. M. Hyndman (autocrat of the S.D.F.), Mr. Keir Hardie (founder of the I.L.P.), and Mr. H. N. Brailsford (quondam editor of the *New Leader*). Says Mr. Hyndman: "Socialism will recognise no difference as to the share of the general product between the good and the bad workman."† Says Mr. Hardie: "For free communism the rule of life will be: *From each according to his ability, to each according to his needs.*"‡ Says Mr. Brailsford: "The principle which should guide us in rewarding work is the classical socialist maxim: *From each according to his capacity, to each according to his needs.*"§ He goes on to ask, in a footnote, "how a

* Marx, K., *Letters on the Gotha Programme* (English Translation, 1875), p. 649.

† Hyndman, H. M., Letter to *Daily Telegraph*, October 14, 1907.

‡ Hardie, K., *From Serfdom to Socialism* (1907), p. 89.

§ Brailsford, H. N., *Socialism for To-day* (1925), p. 74.

socialist society would deal with those who refused to work according to their capacity." His hopeful reply is that "socialised industry will succeed only if the public opinion of the workshop and trade union condemns and ostracises a man who does less than his best." When one remembers that at present the public opinion of workshop and trade union is directed precisely and emphatically *against* those whose efficiency and output exceed those of the common ruck the prospect is not roseate. Finally, Lenin lays down the rule that, although in the first phase of communist society it may be necessary to offer concessions to lingering conceptions of "bourgeois justice," and make payments to proletarians bear some sort of relation to services rendered, in the highest phase of communist society this will not be so. He quotes the Prophet to the effect that in this ideal state "there will be no need for any exact calculation by society of the quantity of products to be distributed to each of its members: each will take freely according to his needs."*

Such is the chaos of socialist opinion on this vital question of the distribution of wealth. Even in the same books—*e.g.*, Spargo's *Socialism*, and the *Fabian Essays*, contradictory and incompatible opinions are expressed. The controversy raised by the pronouncement of the Gotha programme was so ferocious and prolonged that at Erfurt in 1891 it was thought best to shelve the problem altogether. Similarly Mr. Ramsay MacDonald, while committing himself in one book to the opinion that "service is the only claim that the socialist recognises

* Lenin, N., *The State and Revolution* (English Translation, 1921), p. 99.

as a title to possession,"* in another book says: "This question [of remuneration] cannot be settled now, and therefore cannot be discussed profitably except as a speculative exercise," for "we cannot measure the motives which will be in full play in the socialist era"!† As to ability: "The precise method of rewarding it can be safely left to experience."‡ What a confession of hopeless inaptitude and crass incompetence! Here is the very central problem of the controversy between socialism and capitalism—the problem of distribution—and the socialists admit that they cannot solve it. They cannot tell what motives will operate under socialism; as though human nature were going to change with the economic system! Experience may be left to settle the question; as though experience had not settled it long ago wherever free bargaining prevails! It would be pitiful if it were not so intensely disgusting that loose thinking, vague utterance, and flabby sentimentality of this sort, should be foisted off upon a half-educated electorate as a new social gospel. The only further general criticism of these conflicting, iniquitous, and impossible principles of distribution which I will make is this: that one and all they contemplate the cutting down of the rewards which now go to capital and ability, and their partitionment among the thoughtless and incompetent. Such being the case, the folly and injustice of the socialistic principles of distribution go a long way towards explaining the universal failure of socialism in the sphere of production.

* MacDonald, R., *Socialism, Critical and Constructive* (revised edition, 1924), p. 132.

† MacDonald, R., *The Socialist Movement* (1911), p. 113.

‡ *Ibid.*, p. 176.

## § 6. Incompatibility with Profitable Exchange of Wealth

(6) *Socialism is fatal to the commercial exchange of wealth.* In the sphere of exchange, socialism is as impotent and hopeless as in the sphere of production. No system could be more exactly devised, as the Bolshevik dictators of Russia have discovered, to bring commerce to an end. Many socialists, indeed, seem to consider commerce as useless, if not immoral. Marx, for example, apparently unable to realise that a commodity is not fully "produced" until it is in the hands of the consumer, denies that merchants, carriers, bankers, middlemen, contribute anything to the creation of values, and treats them all as parasites and exploiters. So, too, as Sir Ernest Benn informs us, "Mr. Sidney Webb, the President of the Board of Trade, asserts that business is blackmail."* When sentiments such as these prevail in the minds of socialist leaders, it is not to be marvelled at that in the hands of their deluded disciples business becomes bankruptcy and commerce confusion. Socialistic communities decline into self-sufficing or subsidised pauper settlements. The soviet republic, faced with famine—its factories silent, its export trade extinct, its imports all cut off—had to implore foreign capitalists and merchants to return to its desolate borders, and resume their old activities, in order to save the remnant of the victims of Marxian folly and crime from total extinction.

Socialists pour contempt and execration upon all the paraphernalia and machinery of modern

* Benn, Sir E., *Prosperity and Politics* (1926), p. 72.

business. Not only do they denounce the competitive enterprise which seeks to find new markets, new sources of raw materials, and in human nature itself new wants which can be stimulated and satisfied by new inventions; but they also decry all such devices as advertisement, window-dressing, commercial-travelling, which, they say, add nothing to value but merely pile up expenses that enhance the price of the product to the proletariat. They envisage a flat earth in which standard and uniform articles of necessary food and clothing shall be stored up in communal emporia, whence the hungry and naked proletarians shall be supplied—whether equally, or according to service, or according to need—by officials who shall give them what they think best for them, or, failing that, what there happens to be in stock.

Of foreign commerce and of international finance they seem to have no inkling at all. The fact, for example, that Great Britain depends for some two-thirds of her food supply upon oversea sources; the fact that she can pay for these immense and indispensable stores from abroad by no other means than by the export of British manufactures; the fact that British manufactures can secure and retain markets beyond the seas only as the result of successful competition with the manufactures of other industrial nations; and the fact that to compete successfully the highest industrial efficiency, the most alert commercial capacity, and the soundest finance, are necessary—these facts, and many others of the same sort, are veiled from the blind eyes of these obsessed ideologues. They would nationalise or socialise the great industries, including banking; they would place them in the hands of civil servants

appointed on the results of academic examinations; they would reward inventors with nothing more than paste medals or honorific names; they would manipulate currency and credit to suit their political exigencies; they would give the captains of industry, commerce, and finance the same remuneration as the rank and file, trusting that they "will find their ulterior reward in the zest of the intellectual activity, the joys of creative genius, the honour of directing affairs, and the social distinction they will enjoy";* and so on, and so on.

Is it easy to conceive anything more remote from any possible world of economic reality? It is not too much to say that any attempt to reconstruct commerce and finance, and especially international commerce and finance, on socialistic lines would involve the misguided country that should make the attempt in speedy and irremediable bankruptcy. Bolshevik Russia made the attempt and survived the three years' experiment only because, on the one hand, she was normally capable of providing more than enough food for all her people without the aid of foreign commerce, and because, on the other hand, she had vast stores of gold and jewels, the fruits of wholesale robbery and murder, with which to purchase supplies when her own failed. But, even so, millions of her unhappy inhabitants perished of want, before the N.E.P. (new economic policy) of Lenin saved the situation by reintroducing capitalism, with differentiated wages, private enterprise, restored currency, revived competition, and all the other devices of the system which Bolshevism had been specially established to destroy—and the destruction of which (we may add) had furnished the only

* Gronlund, L., *Co-operative Commonwealth* (1886), p. 145.

possible excuse, even to fanatical Marxians, for Bolshevism's sanguinary excesses. If Great Britain should ever be mad enough to attempt "nationalisation" of the Bolshevik type, no possible way of salvation would be open to her. With the cessation of her foreign commerce and the collapse of her credit, inevitable starvation would almost immediately descend upon her: within three months her people would be perishing of hunger, and before the end of a year, amid scenes of hideous carnage and cannibalism, her population would be reduced to one-third of its present numbers; her factories would be closed, her towns in ruins, and her civilisation reduced to the standard of the Stone Age. Always and everywhere Bolshevism is a reversion to pre-Christian barbarism; but in Britain, above all other countries of the world, its triumph would involve catastrophe of inconceivable horror.

## III. SOCIAL DEFECTS

### § 7. Menace to Liberty

So much for the defects of socialism in the sphere of applied economics. Life, however, is more than meat and the body than raiment; and if in the large sphere of *Sittlichkeit*, or social ethics, socialism displayed eminent merits, it might be worth the while of the community to endure the inconveniences of a reduced production, an inequitable distribution, and a vanished exchange, in order to enjoy the benefits of a loftier and freer existence. As in the middle ages men forsook the world and willingly interned themselves in monasteries, in order that, amid the severest economic deprivations, they might participate in the fellowship of the saints and might

attain to the beatific vision; so now, in these latest days, many men would be glad to revert to a simpler and sterner mode of life, free from the luxuries of modern civilisation, if by so doing they could secure a larger liberty, the purer satisfactions of family felicity, and the consolations of religion. Under socialism, however, they would lose all the luxuries and half the so-called necessaries of modern civilisation without gaining any compensating advantages whatsoever; for—

(7) *Socialism is a menace to liberty.* Liberty and equality, as Lord Acton was never tired of pointing out, and as we have already remarked, are incompatible with one another. If men are free they will not remain equal; if they are equal it can only be because they have ceased to be free. "Socialism," says Dr. Murray Butler, "in order to promote economic equality aims at restricting liberty."* It must necessarily do so. The extinction of private enterprise, the eradication of competition, the prohibition of the use of wealth as capital, the prevention of the acquisition of property in land, the appropriation of the proceeds of invention, the refusal to allow ability to reap its natural reward—all these devices of socialism, introduced in the interests of economic equality, involve so severe a restriction on the creative and acquisitive instincts of man, and so vast a curtailment of his normal activities, that no weaker a term than slavery would adequately describe the negation of freedom that would ensue. Moreover, in order to ensure that no one was doing anything, or saving anything, or selling anything, or making anything, or lending anything, or investing anything, or inventing any-

* Butler, N. M., *True and False Democracy* (1907), p. 12.

thing, or discovering anything, or letting anything, or hiring anything, or in any way raising the position of himself or his family above that of the rabble, so inquisitorial an espionage and so severe a penal system would be necessary that all trace of liberty would inevitably vanish. In order to save the lazy and the incompetent from falling into poverty, it would be necessary by the most stringent repression to prevent the industrious and the capable from rising into affluence. Mr. Woolsey well remarks: "There is an activity, and for the most part a hopefulness, in existing society which adds greatly to the enjoyment of life. But all this depends on the freedom of the individual to choose his career; and the power to choose greatly depends on the accumulation of property. . . . In a socialistic state all this would be lost. The whole mass of living beings would be devoted to work under state [or trade union] agents. Can anything be conceived more monotonous than the uniformity of such a system, not to speak of its incapacity to answer to the higher wants of man, and to his privilege of shaping his life for himself?"*

For socialism could not allow a man to determine his own career. However large a measure of individual choice it might desire to leave to him, it would be compelled finally to decide what he should do, where he should do it, how long he should work at it, and what he should receive for it. In other words, conscription of labour, with discipline of a military type attached to it, is the inevitable concomitant of a socialistic regime. "Socialism," rightly says that revolutionary magazine entitled *Freedom* (October, 1907), "will entail compulsory service on all able-bodied members of the com-

* Woolsey, T. D., *Communism and Socialism* (1879), p. 238.

munity." Mr. Sidney Webb confirms this statement: "If a man wants freedom to work or not to work just as he likes, he had better emigrate to Robinson Crusoe's island, or else become a millionaire. To suppose that the industrial affairs of a complicated industrial state can be run without strict subordination and discipline, without obedience to orders, and without definite allowances for maintenance, is to dream not of socialism but of anarchism."* Mr. Bernard Shaw, with his usual engaging indiscreetness, does not seek to evade the issue: "Compulsory labour," he admits, "with death as the final penalty, is the keystone of socialism."†

Of course, socialists like Mr. F. Henderson—in spite of Mr. Bernard Shaw's frank admission, and in spite of the overwhelming confirmatory evidence which comes from Bolshevik Russia—repudiate the aspersion. Replying to Mr. Asquith (Lord Oxford), who had described socialism as "the most sterilising despotism that the world has ever seen," he says: "Against his assertion that socialism would starve personal liberty to death, I set up the counter-assertion that liberty can be secured to men by socialism only."‡ But his counter-assertion remains mere empty verbiage: the twelve pages of argument that follow are so futile and inconclusive that they merely give point to Dr. Flint's observation: "Those who do not perceive that collectivism will be utterly subversive of liberty, and that its establishment will

* *Fabian Tract No.* 51 (1906).

† *Labour Monthly*, October, 1921. *Cf.* also Karl Pearson, *Ethic of Free Thought* (1888), p. 324: "Socialists have to inculcate that spirit which would give offenders against the state short shrift and the nearest lamp-post."

‡ Henderson, F., *Case for Socialism* (1924), p. 47.

be the enthronement of a fearful tyranny, must be blind to the distinction between liberty and tyranny."* Well says Mr. Arnold-Forster: "Socialism, more than any other scheme for managing a nation known to man, does involve the government of one man by another against his will."† Dr. Beattie Crozier, in a powerful imaginary dialogue with Karl Marx, concludes that even if socialism can be established among men, it can be maintained "only by a restriction on their liberty as complete, an espionage of each by the rest as jealous, vigilant, and unrelaxing, and a despotism and discipline as all-pervading and crushing as ever prison walls inflicted on their usually sufficiently fed but always unhappy inmates."‡ This was written in 1911. Every word of it has been confirmed and illuminated by the tragic experience of the Russians under the terrorism of Trotsky and his successors since 1917. Socialism is the negation of liberty erected into a system. Says Professor Stephen Leacock: "Under socialism freedom is gone. There is nothing but the rule of the elected boss. The worker is commanded to his task, and obey he must. . . . There is nothing like it among us at the present day except within the melancholy precincts of the penitentiary. There and there only the socialistic system is in operation."§ Dean Inge

* Flint, R., *Socialism* (1895), p. 63. *Cf.* also p. 240: "Of course collectivists protest against the imputation of wishing to introduce slavery. And I do not impute to them the wish. People often do the opposite of what they wish. My charge is that, if they establish collectivism, they *will* introduce slavery whether they wish to do it or not."

† Arnold-Forster, H. O., *English Socialism* (1908), p. 11.

‡ Crozier, J. B., *Sociology applied to Practical Politics* (1911), p. 69.

§ Leacock, S., *The Unsolved Riddle of Social Justice* (1920), pp. 107-108.

considers that not the prison or the penitentiary but the beehive, as described in the masterly but horrifying pages of Maeterlinck's *Vie des Abeilles*, is "the appalling object lesson of state socialism carried to its logical consequences"—every instinct of individuality and every impulse of personality being remorselessly sacrificed to the unrealised and unimaginable end of the community.* It is, indeed, precisely because socialism is obviously incompatible with personal freedom that that curious ex-Liberal attaché of the Labour Party, Colonel Josiah Wedgwood, by nature an anarchic individualist, describes socialism as "a damnable un-English heresy."†

There is one form of freedom, peculiarly dear to Englishmen, the menace to which under a socialist regime causes some apprehension even to socialists themselves. This is freedom of the press. If private printing-presses are abolished, what prospect is there that the socialistic authority will permit the publication of any opinions hostile to those of the controlling power? In view of the absolute censorship established in Bolshevik Russia, where no criticism of the prevailing regime is tolerated; and in view of the behaviour of the socialistic organisers of the great general strike in Britain in May, 1926, the question is no idle one. The prominent French socialist, Gabriel Terrail, who writes under the pseudonym "Mermeix," admits that "the state being the only printer might refuse to allow the use of its presses to anti-socialist newspapers."‡ Mr. Charles Bradlaugh once, in a public debate, asked Mr. H. M.

* Inge, W. R., *Outspoken Essays*, ii. (1922), p. 237.

† *Essays and Adventures of a Labour M.P.*, review in *The Times Lit. Sup.*, July 24, 1924.

‡ Quoted Stoddart, *The New Socialism* (1909), p. 144.

Hyndman the crucial question: "Suppose I want to start an agitation against your collectivist system. Will your socialist state grant me lecture halls for the purpose of denouncing it? Will it give me a printing-press to enable me to publish books and papers advocating a new revolution to overthrow socialism? If not, what becomes of freedom of speech?" Mr. Hyndman left the question unanswered.* He did well not to answer the question, for the answer would have had to be "No." And that answer would have revealed like a flash to the audience, however benighted and deluded, that socialism is wholly incompatible with democracy, whose very life-breath is freedom of discussion. Mr. H. G. Wells does not see how freedom of printing can be secured under a socialist administration, and Mr. Bertrand Russell fully shares his apprehension.† Mr. Ellis Barker is amply justified when he says: "The disappearance of private property will necessarily mean the disappearance of the free press, and therefore of public opinion. All newspapers would be owned, edited, and printed by the government, and is any government likely to assist hostile opposition by printing its views, and to assist in bringing about a revolution, probably accompanied by bloodshed and its own destruction?"‡ M. Leroy Beaulieu, the French critic of socialism, fully concurs. "Under collectivism," he says, "a tyranny such as has never been hitherto experienced would close all mouths."§

In vain do socialist writers endeavour to reassure

* Towler, W. G., and Ray, W., *Socialism: its Promise and Failure* (1920), p. 65.

† Russell, B., *Roads to Freedom* (1918), pp. 180-183.

‡ Barker, Ellis, *British Socialism* (1908), p. 466.

§ Beaulieu, P. L., *Collectivism* (English Translation, 1908) p. 327.

us. For socialism is in its essence the negation of liberty. Mr. Ramsay MacDonald, for example, devotes ten futile and sophisticated pages (180-190) to the problem of the press in his *Socialist Movement*. The only two things he can say are, first, "This is one of the questions which can be satisfactorily answered only by time"; and, secondly, "What freedom is there now under the syndicated press?" Beyond those two travesties of argument, his note is merely, "I can imagine" this, and "I can easily imagine" that. The rule of Lenin in Russia from 1917 onward, and the behaviour of the socialistic Council of Action in the British general strike of 1926 enable our imaginations to work even more easily than Mr. MacDonald's in 1911, but in a diametrically opposite direction.

## § 8. Menace to Family

(8) *Socialism is a menace to the family.* Although directly and explicitly socialism has no connection with the family or with the institution of marriage, indirectly and implicitly it is hostile to both. It is no mere coincidence that Saint-Simon and Enfantin advocated, together with socialism, the "rehabilitation of the flesh," and that the great Saint-Simonian establishment at Menilmontant had to be suppressed because of its gross immorality. Fourier, again, is entirely in accord with the leaders of modern Marxism when, in his *Théorie des Quatre Movements*, he proposes that free-love shall be legally permissible to all girls over eighteen years of age. William Morris, in his *News from Nowhere*, depicts a state of society in which temporary unions of men and women prevail, and in which there is no divorce court, for the simple

reason that there are no legal marriages to dissolve. Mr. Belfort Bax was an avowed and persistent antagonist of marriage and the family. One of his many typical utterances is: "In a society such as socialism implies, based on the communal production of wealth for social use and enjoyment, and hence where private property-holding has either ceased to be altogether, or at least has lost its importance . . . the principle of rigid monogamy enforced by law and public opinion, as at present, must break down before a freer conception of human relationships."* Mr. Harry Quelch, the friend of Mr. Bax and his collaborator in a *Socialist Catechism*, for many years the editor of *Justice* (the official organ of the S.D.F.), expresses the same views in less ambiguous and academic terms: "I am in favour of free-love," he says. "I want to abolish marriage . . . we want no marriage bond. We want no bonds at all. We do want free-love."† Not even Mr. Quelch, however, is entirely explicit. For "free-love" is a euphemism for "unbridled lust"—something far lower than abysmal bestiality; for no animal is capable of such deliberate degradation and depravity.

If we ask why socialism should manifest so extreme a repugnance to marriage and the family; why Plato's *Republic*, Campanella's *City of the Sun*, and Fourier's *Phalansteries* should agree in repudiating these institutions; why communistic societies in all ages and all countries should have broken up not only because of economic incapacity but also because of sexual enormity—the answer is that marriage

* Bax, E. B.; *Socialism, What it is and What it is not* (1907), p. 10.

† Speech reported in *Birmingham Evening Dispatch*, November 13, 1907.

and the family are, both in socialist opinion and in veritable fact, bound up with the bourgeois institutions of private property, inheritance, saving, capital, investment, landownership, and the other incidents of the existing order of society. Marriage and the family are essentially individualistic. M. Jules Guesde, the notable French Marxian leader, admits that the family was serviceable and indeed indispensable in the past; but contends that it is now only a hateful form of property. It must, he says, be either transformed or wholly swept away.* Another French writer, M. Gabriel Deville, puts the socialist view even more plainly. "Marriage," he asserts, "is a regulation of property, a business contract rather than a union of persons, and its utility grows out of the economic structure of a society which is based on individual appropriation . . . when property is transformed marriage will lose its reason for existence, and boys and girls may then freely, and without fear of censure, listen to the desires and promptings of their nature."† The German Marxian, August Bebel, voices the same opinion: "The bourgeois marriage," he says, "is a consequence of bourgeois property. This marriage, standing as it does in the most intimate connection to property and the right of inheritance, demands legitimate children as heirs. . . . But as in the new community there will be nothing to bequeath, compulsory marriage becomes unnecessary from this standpoint as well as from all others."‡ Mr. Headley, in his

* Guesde, J., *Le Catéchisme Socialiste* (1892), p. 72 *sq.*

† Deville, G., Introduction to French edition of Marx's *Kapital* (1883).

‡ Bebel, A., *Woman, her Past, Present, and Future* (English Translation, revised edition, 1894), pp. 231-232.

excellent book entitled *Darwinism and Modern Socialism*, well sums up the matter when he says that "there is no doubt that the family is an institution that naturally leads to capitalism," and that consequently "the extreme thoroughgoing socialist has marked down the family for destruction."*

## § 9. Menace to Religion.

(9) *Socialism is a menace to religion.* Religion, like marriage and the family, lies outside the proper scope of socialism, and it is possible for socialist leaders in Christian countries, when anxious to secure the votes of the credulous devout, to contend, with Mr. Ramsay MacDonald, that "socialism has no more to do with a man's religion than it has with the colour of his hair."† Nay, it is even possible for others —ignoring the predatory economic elements in socialism, and repudiating the devilish dogma of the class war—to proclaim that the eviscerated utopian socialism which remains, with its exaltation of community and its wish to elevate the low, is really nothing but applied Christianity itself.

But neither Mr. MacDonald's bland indifferentism, nor the Christian socialists' monocular sentimentality, affects the fact that all the great socialist and communist leaders have been, and are, definitely anti-Christian and anti-religious. Nor, again, is this a mere coincidence. There is a difference of genius, of spirit, of aim, of outlook, between socialism and faith, so radical and complete that any concordat between the two is inconceivable. "Socialism," well

* Headley, F. W., *Darwinism and Modern Socialism* (1909), p. 14. For a fuller discussion of the question see J. Ellis Barker's *British Socialism* (1908), pp. 330-353.

† MacDonald, J. R., *Socialism* (1907), p. 101.

remarks Eucken, "has no spiritual background: everything it does affects only the limited surface of life."* It is fundamentally materialistic, and in its dominant or Marxian form is based on a conception of man and the universe which entirely precludes any divine influence or operation whatsoever. In all its forms it emphasises the potency of economic environment in determining character and destiny to so extreme a degree as to rule out the effective action of spiritual forces. Above all, it is impossible for socialism to exist side by side with an organised church. For an organised church claims the supreme allegiance of its disciples; it makes calls upon their property for its support; it fixes their hopes on supramundane ideals; it provides them with a philosophy of man, the world, and God, which is wholly irreconcilable with the communistic creed.

Beside this essential incompatibility of aim and idea, however, there are other things which keep socialism and religion apart. Whether rightly or wrongly, socialists regard religion as the natural ally and bulwark of the things that they hate, as, for example, of monarchy and private property. They look upon it as a reactionary force, conservative of the established order generally. Hence they condemn it to destruction as an inherent part of the capitalist system, and wherever they come into power (as in Russia or in Mexico) they endeavour to extirpate it. "Whoever assails Christianity assails, at the same time, monarchy and capitalism," wrote Dr. Zacher in the *Red International.*† Professor

* Eucken, R., *Socialism: an Analysis* (English Translation, 1921), p. 132.

† Zacher, G., *L'Internationale Rouge* (English Translation, 1884), p. 22.

Flint, in that marvellous book of his, written a generation ago, in the tranquil Victorian days, saw to the heart of things, realised the essential antagonism of socialism to the church, and prophesied, in words that have already received deplorable verification, that "if socialism triumph, another age of religious persecution will have to be traversed."*

Yet, long ago though it was that Dr. Flint wrote these prophetic words, he was not even then without data to go upon. For neither Karl Marx's atheism nor his intense detestation of all religion had been in the least veiled: he had denounced religion generally as "the opium of the people." Similarly, his *âme damnée* Engels had declared that "nowadays in our revolutionary conception of the universe there is absolutely no room either for a creator or a ruler."† Herr Bebel, leader of the German Social Democrats, had announced in the *Reichstag* (March 31, 1881) that his party aimed "in the domain of economics at socialism, and in the domain of what is called religion at atheism," a remark to which on another occasion he had given pointed application by saying that "Christianity and socialism stand toward each other as fire and water"; that "Christianity is the enemy of liberty and civilisation"; and that "it has kept mankind in slavery and oppression." Even before the date of Bebel's speech—viz., on May 25, 1886—the *Sozial Demokrat*, the official organ of Bebel's party, had proclaimed Christianity to be "the bitterest foe of social democracy"—*i.e.*, of Marxian socialism. In England Mr. H. M. Hyndman and his colleagues of the

* Flint, R., *Socialism* (1895), p. 330.

† Engels, F., Introduction to *Socialism, Utopian and Scientific* (1892).

S.D.F. had taken the same uncompromising line. Mr. Robert Blatchford, too, in *The Clarion*, had continually emphasised the fundamental incompatibility of the Christian and the socialist ideals. Professor Karl Pearson, one of the ablest and most outspoken of socialistic philosophers, had stressed the same point in his *Ethic of Free Thought* (1888), asking: "Can a greater gulf be imagined than really exists between current Christianity and the socialistic code."

If, however, Professor Flint in 1895 had before him ample evidence of the attitude of socialism toward religion, and ominous foreshadowings of what would be its anti-Christian violence, should it ever attain to power, what shall be said of those who in these last days have before them, on the one hand, the writings of rampant modern communism, and, on the other hand, the record of the appalling and sanguinary persecution to which the church in Russia has been subjected at the instance of the Bolshevik tyrants? It is as needless as, within the limits of my space, it would be impossible for me here even to recapitulate the overwhelming evidence. For the Bolshevik attitude one quotation must suffice. It is taken from *The A.B.C. of Communism*, by N. Bucharin and E. Preobraschensky.* "Religion and communism are incompatible. 'Religion is the opium of the people,' said Karl Marx. It is the task of the communist party to make this truth comprehensible to the widest possible circles of the labouring masses. It is the task of the party to impress firmly upon the minds of the workers, even upon the most backward, that religion has been in the past and still is to-day one of the most power-

* English Translation, issued by the Communist Party of Great Britain, third edition, 1925.

ful means at the disposal of the oppressors for the maintenance of inequality, exploitation, and slavish obedience on the part of the toilers. Many weak-kneed communists reason as follows: 'Religion does not prevent my being a communist. I believe both in God and in communism. My faith in God does not hinder me from fighting for the cause of the proletarian revolution.' This train of thought is radically false. Religion and communism are incompatible, both theoretically and practically." As to the Russian atrocities in the course of which scores of bishops and thousands of priests have been done to death; churches desecrated and Christian mysteries openly outraged and profaned; endowments confiscated, treasures stolen, estates secularised; the whole Christian community persecuted and oppressed, as in the worst days of pagan Rome—as to all this I must refer my readers to the lamentable story as told by such writers as Professor Charles Sarolea (*Impressions of Soviet Russia*, 1924), or Mr. Lancelot Lawton (*The Russian Revolution*, 1927). Few unbiassed students will rise from a perusal of these painful volumes with any lingering doubt in their minds as to the fact that socialism is a menace not merely to Christianity but to every form of faith which is not the crassest materialism.

## IV. MORAL AND POLITICAL DEFECTS

### § 10. Ethical Unsoundness

(10) *Socialism is ethically unsound.* It might appear unnecessary further to argue that a system which presents a formidable menace to freedom, family, and faith, is ethically unsound. Nevertheless, there are several more things to be said.

First, the ethical standard of socialism is low: it is utilitarian, opportunist, materialistic, devoid of appeal to any "eternal law of truth and right." Its effective attraction to the masses is based on the crudest and most primitive individualism—viz., on the vulgar vices of envy, jealousy, acquisitiveness, class animosity. "The socialist," says Mr. Harold Cox, "is not out to raise human nature; he is out to destroy capitalism, and for that end he encourages or condones conduct which the world has hitherto condemned as criminal."* M. Gustave Le Bon in his, illuminating study of *The Psychology of Socialism*, shows that "socialism proposes but a very low ideal, and to establish it appeals but to sentiments lower still"—viz., "the sentiments of envy and hatred which it creates in the hearts of multitudes."† Professor Flint, in his great work, has a masterly chapter on "Socialism and Morality." He dwells impressively and conclusively on the socialistic exaggeration of the influence of environment; on its over-emphasis of the economic factors in life; on its limited idea of duty; on its utilitarianism and hedonism; on the empirical and relative character of its ethical standards, and on its peril to personality.‡

Secondly, those evil passions that socialism deliberately excites and fosters in the breasts of the

* Cox, H., *Economic Liberty* (1920), p. 27. *Cf.* Barker, J. Ellis, *British Socialism* (1908), p. 446 : "There is nothing ideal and elevating in the socialist teachings. Socialism appeals to all the passions and to all the vices, such as hatred, jealousy, envy, cupidity. It encourages, or at least excuses, wastefulness, improvidence, profligacy, and drunkenness. Its aim is plunder."

† Le Bon, G., *Psychology of Socialism* (English Translation, 1899), p. xi.

‡ Flint, R., *Socialism* (revised edition, 1908), pp. 233-286.

ignorant and unbalanced are such as are calculated not only to destroy harmony and tranquillity in society as at present organised, but also to prevent the formation of any stable and peaceful social organisation in the future. "There is no alchemy," says Mr. Bertrand Russell, "by which a universal harmony can be produced out of hatred. . . . Those who have been inspired to action by the doctrine of the class war will have acquired the habit of hatred, and will instinctively seek new enemies when the old ones have been vanquished,"* and, in M. Le Bon's opinion, "a man is not a socialist without hating some person or thing."† The history of the way in which the wolves of Bolshevik Russia have denounced one another as *bourgeois*, and have devoured one another, is eloquent testimony to the truth of this prognostication. "The language of rage and hate" in which socialists compose their "brotherly effusions" is compared by M. Laveleye to "the death-chaunt of cannibals."‡ No permanent polity can be constructed amid the distractions and alarms engendered in such an atmosphere of ferocious and merciless animosity.

Thirdly, even if socialism could attain to tranquillity, it would still be unstable because built on a basis of falsehood and injustice. The systematic spoliation and confiscation which is the economic essence of socialism is fundamentally iniquitous. The elaborate arguments, derived from the discredited labour theories of value and surplus value, with which socialists try to give an appearance of ethical

* Russell, B., *Roads to Freedom* (1918), p. 154.

† *Op. cit.*, p. 406.

‡ Laveleye, É. de., *Socialism of To-day* (English Translation, 1884), p. 176.

respectability to their brigandage, are too threadbare to cover the hideous nakedness of their criminality. As M. Guyot effectively puts it: "The socialists formulate a theory of robbery and call it restitution to the disinherited."* It is, as we have seen, a mere fiction that the pauper proletariat produce more than they receive, or that they have been deprived of wealth which was once rightfully theirs. So palpably absurd is it, that modern demagogues tend to supplement its falsity by the assertion of an individual right to maintenance irrespective of any pretence of either former possession or present productivity. But whichever fiction be placed in the foreground—the fiction of disinheritance or the fiction of an inherent right of maintenance—the sequel is the same—viz., the spoliation of the energetic and thrifty in the interest of the lazy, incompetent, and improvident. And this spoliation, whether effected by violence or by taxation, is so unjust, and causes so profound a resentment in the breasts of its victims, that no polity based upon it can possibly endure. It also has its reactions upon its beneficiaries; and this brings me to my last point under the present head, viz.—

Fourthly, socialism debilitates and demoralises those whom it seeks to succour. "Socialism," says Mr. Millar, "is the cry of adult babyhood for public nurses and public pap-bottles."† By every conceivable device it discourages enterprise and initiative, forbids self-help, discountenances inventiveness, prevents thrift, suppresses personality. On the other hand, by means of doles, pensions, poor relief, free

* Guyot, Y., *Socialist Fallacies* (English Translation, 1910), p. xvii.

† Millar, F., *Socialism : its Fallacies and Dangers* (1923), p. 22

meals, free education, free medical services, free everything—all at extravagant rates, all bestowed without adequate discrimination, and all paid for by the industrious and the careful—it breeds and fosters a vast demoralised mass of paupers and vagrants. Any country can have as many unemployables as it cares to pay for; and socialism is specially devised to provide the maximum number of lazy incompetents battening contentedly and permanently upon the industry of their more efficient and self-respecting neighbours. Socialism is the recruiting-sergeant of the army of the slum. Further, it discountenances and ridicules any effort on the part of the slum-dweller to improve his lot by means of moral reformation—*e.g.*, by abandoning drink, by abjuring gambling, by forsaking lechery, by shaking off lethargy and blind submission to circumstances. For it assures him that his misfortunes are the fault not of himself but of capitalistic society; that he is the victim not of his own vices but of conditions over which he has no control; that environment and not character is the determinant of destiny.* Mr. Headley has some pungent pages respecting the pernicious effect of this anti-moral propaganda of socialism. He concludes by saying: "The ultimate source of our social evils is not economic," and "as soon as we realise that, whatever social malady we have to deal with, it originates with human weakness or folly more than with outward circumstances, we have a principle

* *Cf.* Kelly, E., *Twentieth Century Socialism* (1910), p. 377: "The whole history of man since the days of Plato has demonstrated that every change in the condition of man can be traced as the direct result of change of environment — economic, political, ethical, and religious."

that will guide us."* Socialism is the cult of a decadent civilisation. It is generated only in a corrupt and evil soil; it flourishes best amid the festering cesspools of society. It is a soporific and sedative calculated to comfort and console the degenerate by telling them, on the one hand, that they are not to blame for their degeneracy† and by assuring them, on the other hand, that they shall in no way suffer because of it, but, on the contrary, that they shall be relieved and cured by pleasant and expensive external applications provided and paid for by public authority—*i.e.*, by other people. Thus it accelerates and facilitates the decline of decadence towards the final debacle. As M. Gustave Le Bon remarks: " Reducing to a minimum the source of energy and initiative which the individual must possess to conduct his life, and freeing him from responsibility, collectivism seems for these reasons well adapted to the needs of nations whose will, energy, and initiative have progressively decayed."‡

## § 11. Sociological Unsoundness

Beside being ethically unsound, (11) *Socialism is socially pernicious*; for it creates and fosters, pampers and propagates, a decadent and demoralised proletariat. It makes it more profitable and pleasant to be a pauper than to be a producer; it encourages

* Headley, F. W., *Darwinism and Modern Socialism* (1909), pp. 325-332.

† *Cf.* Mr. Ramsay MacDonald's ridiculous statement : " Intemperance is not the cause of social poverty. Its chief effect is to select the victims of poverty."—*The Socialist Movement*, (1911), p. 33.

‡ Le Bon, G., *Psychology of Socialism* (English Translation, 1899), p. 139.

wastrels to batten on the community, and it denounces the laborious and the thrifty as blacklegs and exploiters; it organises the unemployable and criminal dregs of society into predatory packs, calls them by some such grandiloquent title as the "Industrial Workers of the World," and launches them on a campaign of confiscation. The essential individualism of these plundering raids has been frequently noted in the course of this work. Thirty years ago it was emphasised by Mr. Benjamin Kidd. "Socialism," he said, "of the German type must be recognised to be ultimately as individualistic and as *anti*-social as individualism in its advanced forms."* Socialism, indeed, is in practice little more than a temporary combination of the incompetent to exploit the competent. The force behind it is not intellectual or moral, but merely emotional; it is predatory passion—the desire of the underman to plunder the prosperous and to secure his wealth. Its system of dogma is merely a mass of false doctrine intended to rationalise robbery and justify spoliation. Much as socialists differ as to the detailed content of their creed, they are all fundamentalists in their desire to get hold of other people's property and to find some plausible excuse for doing so.

Now predatory individualism of this sort, even when called socialism, has but little cohesive force. It holds its confederates together merely as hunger holds together for the moment a pack of starving wolves. Each is concerned primarily with his own stomach, and if bourgeois supplies of provender fall short, he does not hesitate to devour his more juicy comrades. Indeed, if any comrade whatsoever by any means, or through any fortunate chance, raises

* Kidd, B., *Social Evolution* (third edition, 1898), p. 245.

himself or is raised above the common level of the mob, he at once becomes "bourgeois" and a legitimate prey to his fellows. At its best socialism is but a class movement; at its worst it is merely a manifestation of depraved individualism. In either case it is socially pernicious, since it divides the community in hopeless schism, and sets one half to despoil and destroy the other.

The class or sectarian nature of socialism has already been dealt with.* A few more quotations and references, however, may with advantage here be given to emphasise the point. The Stuttgart Congress of the German Social Democrats (August 20, 1907) affirmed that "he only can be recognised as a true socialist who adheres to the struggle of classes," and this abominable principle of implacable and ceaseless civil war has remained cardinal with Marxians to the present day. Says Mr. Spargo, the American biographer of Marx: "There is no fact in the whole range of social phenomena more self-evident than the existence of an inherent fundamental antagonism in the relationship of employer and employed."† So far from being a self-evident fact, it is as obvious a fallacy, and as deadly a delusion, as would be the assertion of "an inherent and fundamental antagonism" between officers and men in an army, clergy and laity in the church, masters and boys in a school, parents and children in a home. Differentiation of function, diversity of view, even some divergence of interest and difference of aim, do not for one moment obscure the essential fact that all are co-operators in one great and dominant enterprise. No one of the many socialist illusions

* See above, pp. 37-40.

† Spargo, J., *Socialism* (1906), pp. 129 and 242-8.

has caused such devastating social disaster as this: it is one of the radical sources of such industrial decline as has characterised the recent economic history of this country. Even the mild and amiable Mr. Brailsford, who stands for what was once the comparatively moderate (though now wild and irresponsible) I.L.P., utters such pernicious nonsense as: "There cannot be, nor ought there to be, any permanent and cordial alliance between private capital and labour," and "no moderation on our part can alter the fact that when we begin to do anything at all, we must challenge the existing system and carry on the class struggle to a decisive engagement."* False and anti-social statements of this sort, intended to incite embittered workmen to slackness, callousness, irregularity, violence, and crime, make one ready to apply to socialism the words which Mr. Brailsford's friend, Mr. R. H. Tawney, uses in another connection, and to say that socialism is "a poison which inflames every wound, and turns every trivial scratch into a malignant ulcer"; and further that "society will not solve the particular problems of industry which afflict it until that poison is expelled."†

If, however, socialism even at its best is but a class or sectarian principle of action, at its worst it is merely a depraved form of individualism. Dr. Bernard Bosanquet, in his Introduction to Schäffle's *Impossibility of Social Democracy*, well says: "I thoroughly assent to the author's conviction that the basis of socialism is as yet individualistic, the state being regarded not as a society organic to good life, but as a machine subservient to the indi-

* Brailsford, H. N., *Socialism for To-day* (1925), pp. 56, 69.

† Tawney, R. H., *Acquisitive Society* (1921), p. 241.

vidual's needs *quâ* individual." Professor Henry Fawcett considered that the most prominent characteristic of socialism was the essentially individualistic one that "it enables a man to rely upon a society or a community for maintenance instead of upon his own individual efforts."* Mr. Kaufmann, a diligent and sympathetic student of socialism, at the end of a careful survey, comes reluctantly to the conclusion that the active principle of socialism is the unpleasant individualistic vice of πλεονεξία — that is, greediness, covetousness, a disposition to take more than one's due share of the good things of life.† And, as Lord Salisbury wisely remarked: "No political propaganda which leads men to covet can be approved; no legislation which leads men to look upon other people's property as a mine of wealth for themselves can be wholesome."‡

The essential individualism and anti-social disruptiveness of active socialism, however, displays itself not only in the economic sphere as acquisitiveness, but also in the administrative sphere as indiscipline. Nothing could exceed the unwillingness of socialists to work in subordination to any sort of authority, unless it were their inability to concur in any sort of creed, or to agree in any sort of common policy. Those who profess most violently their fixed determination to suppress all freedom of private economic enterprise, are the very people who as conscientious objectors refuse to obey the general will of the community respecting military service. Those who at the time of the general strike were

* Fawcett, quoted Hughan, J. W., *American Socialism* (1912), p. 16.

† Kaufmann, M., *Socialism and Modern Thought* (1895), p. 731.

‡ Salisbury, Marquess of, *Nineteenth Century*, February, 1925.

foremost in curtailing the liberty of the press, are the most vehement in their claim to anarchic freedom in both speech and writing; they resent and resist, as infringements of inherent natural rights of the most extreme individualistic type, any attempt to restrict their output of libel, sedition, and blasphemy. Where, for example, is to be found at the present moment a more anarchic individualist than Mr. George Lansbury? Not even the large licence of the *Daily Herald* provided him with sufficient scope for the expansion of his unique personality. He left the *Daily Herald* early in 1925 to start a paper of his own wherein he could display his maleficent eccentricity unrestrained by anything except the patient law of the land. Mr. H. N. Brailsford, then editor of the *New Leader*, with delightful naïveté remarked on the occasion: "It may be inevitable that individuality such as his should find it impossible to work under the control of a party."* What possible hope would there be for the smooth working of a communistic commonwealth under the command of a committee of wrangling revolutionaries of the anarchic type of Mr. Lansbury?

Neither predatory acquisitiveness nor anarchic indiscipline, however, is the worst of the anti-social vices displayed by professed socialists. Their refusal to face the population problem; their frequent denial that there is such a problem; nay, their occasional deliberate encouragement of principles and practices which aggravate the problem—these are the things which above all others stamp their propaganda as socially pernicious. For the population problem is at the root of most of the communal troubles of the world, and particularly so of those of Great Britain.

* *New Leader*, February 6, 1925.

In England and Wales alone, on the average, every day as it passes sees an excess of births over deaths of about 1,000. That is to say, for many years past there has been an increase of population of something like 365,000 a year.* Now, on the one hand, this island of ours already contains about three times as many inhabitants as it can maintain out of its own resources; and, on the other hand, the growth of mechanical power and the vast and constant improvements effected in machinery steadily and rapidly diminish the demand for any and every sort of labour except the highly skilled. Hence it would seem to be obvious, first, that this excessive increase of population should stop, and, secondly, that the quality of the population should be immensely raised. Socialism by its fostering of the unfit; by its pampering of the pauper proletariat; by its encouragement of improvidence, incompetence, and reckless propagation; by its refusal to countenance either the segregation or the sterilisation of the feeble-minded; and by its debilitating influence generally, does everything that lunacy can suggest to aggravate the problem, and to make it inevitable that ultimately our modern civilisation shall be submerged by its own waste products. Socialism which suppresses the individualism of the strong just where it is most valuable to the community—viz., in the sphere of

* I happen to have before me as I write the summary of the census returns for 1891-1901. It gives the following figures of the excess of births over deaths in England and Wales:

| | |
|---|---|
| 1891 = 326,232 | 1897 = 380,196 |
| 1892 = 338,273 | 1898 = 371,024 |
| 1893 = 344,614 | 1899 = 346,847 |
| 1894 = 391,462 | 1900 = 339,232 |
| 1895 = 353,294 | 1901 = 378,222 |
| 1896 = 388,604 | |

productive enterprise—will tolerate no interference with the individualism of the vicious and insane, even where it is a most deadly menace to the community—viz., in the sphere of parenthood. That production should be restricted and reproduction allowed to run riot is precisely the policy of Bedlam.

Perhaps, however, there is a method in the socialist madness. For, after all, it is only in conditions of misery that socialism can hope to survive and flourish. Hence it may well be that increasing wretchedness is to socialists a matter of satisfaction, and that the growth of a pauper proletariat presents the attractive appearance of the massing of the conscripts of communism. I note that *The Times* report of the Communist Congress held at Moscow on December 19, 1927, contains the following passage: "Among promising features of the present situation, in the opinion of the Congress, are the increased industrial difficulties in England, better general prospects for class war, and increasing unemployment." Is anything further needed to indicate the social impossibility of those who see in industrial decline, unemployment, and civil war, "promising features"? The only promise they hold out is the promise of a pauper pandemonium.

## § 12. Political Unsoundness

(12) *Socialism is politically perilous.* Professor McDougall, in his impressive book on *National Welfare and National Decay*, shows that "civilisations decay because as they become increasingly complex they cease to produce in sufficient numbers men and women of the moral and intellectual calibre needed for their support," and he makes it clear that, if the

pernicious social principles of communism were to prevail, "the masses of the people, especially the lowest strata of unskilled workers, would breed enormously, and this great country after a few generations would be filled by hundreds of millions of low-grade population."* The political peril of this social degeneration is obvious. It means that in a democracy such as is established in Great Britain sovereign power passes into the hands of an unintelligent, highly emotional, acquisitive, easily corruptible, and readily perverted electorate. It gives the unscrupulous or the fanatical demagogue a golden opportunity, of which he will not hesitate to avail himself, to seize control, secure ascendancy, and establish a predatory tyranny under the name of the "dictatorship of the proletariat."

One of the most fertile sources of the corruption of governments and the fall of states is the association of politics with economics. In other words, if it becomes possible to use political power to further such personal ends as increase of profits, rise of wages, extension of pensions, enlargement of doles, then, so soon as the temptation is yielded to, national decadence begins. If the community wishes to save itself from demoralisation and decline, it should repudiate and reject any place-hunting demagogue who comes before it with any such appeal as "Your beer shall cost you less," or "Ninepence for fourpence." One of the gravest disservices ever done to the purity of English national life was the bestowal of the vote on paupers in 1918. Since the great extension of the franchise in that year British politics has degenerated with accelerating velocity

* McDougall, W., *National Welfare and National Decay* (1921), pp. 6-8.

into a scramble for the votes of the lower-grade electorate by means of increasingly lavish promises of unearned benefactions at the public expense. The Socialist Party can, of course, easily outbid its rivals in the magnitude of its bribes. Hence the measure of the success of the Socialist Party at the polls is largely an index to the progressive corruption of the new electorate.

One of the strongest of the many objections to the nationalisation of the great industries—such as the railways or the mines—is the enormous increase in the number of government employees which it would involve. As workers they would serve the government; as voters they would control it. The peril of this duality is well expressed by Mr. Headley, who says of government employees, "They are both masters and servants; they clamour perpetually for an increase of their pay, and in point of fact vote themselves an increase," and he proceeds to ask, "What becomes then of the unfortunate minority who have to pay taxes, but do not get them back in the form of salaries?"* The demand for nationalisation is in its essence the demand of employees to be placed in a position from which they can coerce the government and mulct the general public.

Not only, however, is socialism, by reason of its prostitution of political power to personal self-interest, a menace to the purity of democratic government, it is also a menace to democracy itself. The active principle of democracy is liberty, while the active principle of socialism is equality; and we have seen that equality and liberty are incompatible with one another. The counterpart of democracy

* Headley, F. W., *Darwinism and Modern Socialism* (1909), p. 284.

is, indeed, individualism, while the counterpart of socialism is dictatorship. "No two political conceptions," says M. Gustave Le Bon, "are separated by deeper gulfs than socialism and democracy," for "democracy, by its very principles, favours the liberty and competition which of necessity lead to the triumph of the most capable, while socialism, on the contrary, aims at the suppression of competition, the disappearance of liberty, and a general equalisation; so that there is evidently an insuperable opposition between the principles of socialism and democracy."* On much the same grounds Alexis de Tocqueville, the great French historian of democracy, maintains that "so far from there being any natural solidarity between democracy and socialism, they are absolutely contrary the one to the other" for, he says, "democracy extends the sphere of individual independence, socialism contracts it; democracy gives every individual man his utmost possible value, socialism makes every man an agent, an instrument, a cipher."† Rudolph Eucken, the German philosopher, in his penetrating and destructive analysis of socialism, concurs with the two French thinkers whose views have just been stated. "Democracy and socialism," he concludes, "are too far apart to be combined."‡ The point is conceded by the prominent French syndicalist, Hubert Lagardelle, who admits that the conception of the class war is fundamentally anti-democratic. "La démocratie," he says,

* Le Bon, G., *The Psychology of Socialism* (English Translation, 1899), pp. 299-300.

† Tocqueville, speech 1849, quoted Rae, J., *Contemporary Socialism* (1891), pp. 19-20.

‡ Eucken, R., *Socialism, an Analysis* (English Translation, 1921), p. 161.

"tend à la conciliation des classes, tandis que le socialisme utilise et organise la lutte de classe."*

It would be easy to show, further, if it were necessary, that socialism is generally closely bound up with pacificism, defeatism, conscientious objectionableness, cosmopolitanism, anti-patriotism, anti-monarchism, anti-nationalism, anti-imperialism. For, as has been frequently remarked, socialism seems to possess an irresistible fascination for cranks and eccentrics of all sorts. But I do not wish to stress this point: for, on the one hand, it might quite properly be contended that, however commonly socialists may be addicted to these forms of unconventionality, they lie outside the essentials of the socialist creed; and, on the other hand, it might be argued by quite worthy people that some of these socialistic etceteras are not defects but excellences.

Suffice it then to make clear the fact that socialism in its essence and in its necessary consequences tends to lower the standard of the electorate, to prostitute politics to personal ends, to corrupt public life, and to subvert democratic government.

## V. PRACTICAL DEFECTS

### § 13. Antagonism to Peace and Prosperity

(13) *Socialist propaganda is a bar to industrial peace and prosperity.* When we turn from the consideration of these twelve inherent defects of socialism to investigate the question how far they have already manifested their deleterious influence in practical life, the first thing that strikes our attention is the fact that socialist propaganda in

* Lagardelle, H., *Le Socialisme Ouvrier* (1911), p. 45.

itself, quite apart from the falsity of its content, has had a most disastrous effect upon industrial peace and prosperity. A powerful anonymous article, entitled *Socialism and Unemployment*, in the *Round Table* for June, 1924, deals admirably with this aspect of the question. "Over a million workers," it begins, "are still unemployed, which means that about a tenth of the inhabitants of Great Britain are unable to earn a livelihood for themselves." It then proceeds to discuss the causes of this unemployment, and shows that the chief of them is such a decline in industrial efficiency as prevents British goods from holding their own in the competitive markets of the world. In reply to the further question, To what is this decline due? the answer given is—primarily *socialism*. "What has principally been the matter is not friction arising from attempts to put right abuses in the industrial system, but war which springs from a widespread desire to destroy the present industrial system and to substitute something else in its place." Hence "the principal evils of industrialism arise from the dominance of . . . the dogmas of socialism, especially in its Marxian form"; for "we shall never solve our problems under an individualist system which is constantly and deliberately prevented from working efficiently." Then follows an overwhelming exposure of the radical fallacies of socialism, and especially of its pernicious delusions that capital and labour are necessarily antagonists, and that employers are inevitably exploiters. The article continues with a survey of the present-day condition of working men, and asserts convincingly that "to-day the enemy who depresses their standard of living and keeps them in poverty and distress is the Marxian socialist," for "so long

as socialistically minded leaders refuse to face the economic realities of the situation, so long will British standards of living be depressed; so long as they teach the working man that the capitalist is a predatory exploiter, so long will that miasma of class hatred and jealousy, which springs up wherever the socialist appears, continue to hinder economic co-operation; so long as they talk to their fellows about raising wages by any other means than securing efficiency as well as a square deal with the employer, about creating employment by ca' canny or shortened hours and not by making better products, about bettering conditions by political and not economic action, about nationalisation bringing a new heaven and a new earth—so long will it be impossible to get the discussion onto the only lines which can really produce results for the workers themselves or the country at large." It concludes that "history will probably record that it was the exponents of socialist economics, and the rank and file of labourites who blindly accepted their teachings, who were principally responsible for the distress and unemployment of our times," and that "they caused far more actual misery to the working population of their country after the war than all the capitalists in the British Isles."

That the writer of this notable article in the *Round Table* is correct in his diagnosis is unquestionable. It is obvious, for example, that the ruin which has recently overwhelmed the mining industry in this country is due, more than to any other single cause, to the Marxian madness of Mr. A. J. Cook and his fellow-communists: it is their Bolshevik obsessions that have plunged the coal-fields into chaos, have fomented the suicidal strikes which have destroyed

the prosperity of the industry, have transferred its markets to rivals, have stimulated the invention of substitutes for coal, and have reduced the once-mighty miners' federation to destitution and impotence.* The adversity which at present broods over our railways and over the national union of railwaymen, although not so patently due to the socialistic insanity of a single individual, with his attendant satellites, as in the case of the mines, is nevertheless largely the result of the socialist agitation of the past twenty years which has embittered the relations between the companies and their employees, has diminished efficiency, has increased costs, has provoked ruinous strikes, has converted peace and prosperity into conflict and bankruptcy.

And so the tale might be continued indefinitely. Everywhere the trail of the socialist serpent has been ill-feeling, suspicion, strife, confusion, decline of productivity, unemployment, destitution, disaster. Well says Dr. Macnamara: "The teachings of the extreme socialists are inflicting loss to in-

* At the very moment when I am passing this paragraph to the press comes the following confirmatory passage in a *Times* report of a speech by Mr. Ben Tillett (February 2, 1928):

"Mr. Ben Tillett, speaking of the co-operation in industry movement at a meeting organised by the Finchley and District Trades Council last night, said that Mr. Cook's authority was questionable in most things, but his unscrupulous attack upon his colleagues and his lack of team loyalty were the worst characteristics of a morbid megalomaniac. His policy left a million women and children without food. They were pleading now for bread and were being fed only with the stones of his empty slogans. The miners, like the rest of the workers, were bravely fighting to maintain trade unionism. Vast numbers had been lost to the trade unions in general and to the miners' unions in particular by the wild and irrational activities of this tin Nero."

dustrial efficiency and success the measure of which it would be very difficult to take."* Mr. Faraday, in his illuminating book *Democracy and Capital*, shows how fatally "labour has injured itself by its alliance with the socialists"; how, on the one hand, workmen have been demoralised and debilitated by the Marxian poison, and how, on the other hand, capital essential to industrial prosperity has been frightened away by the socialist menace. He instances the closing down of the famous old firm of Brinsmeads, makers of pianos. When finally the firm had to decide to shut its works, "it took twenty-six men to do six men's work, and it cost as much merely to polish the case of a piano as it had formerly cost to make the entire instrument."†

It is the insane antagonism which socialism shows to industrial efficiency, to unrestricted productivity, to private enterprise, to scientific management, to inventiveness and novelty, to thrift and speculation, that not only retards economic development, prevents the necessary co-operation of capital and labour, and precipitates competitive war just where there should be the most cordial alliance—viz., between employers and employed—but also, further, (i.) causes harassed employers to organise themselves in those trusts and combines which, originally defensive, tend to become so serious a menace to the community; (ii.) encourages the squandering of wealth unproductively which otherwise would go to the development of commerce and manufacture; and (iii.) introduces into social life a harshness and callousness fatal to happiness and tranquillity. For the unjust and unreasonable attack which socialism

* Macnamara, T., *Labour at the Crossroads* (1922), p. 33.

† Faraday, W. B., *Democracy and Capital* (1921), p. 185 *sq.*

makes upon the rich tends to make them hard and unsympathetic. Those who assail and abuse them can scarcely expect to be loved by them: those who mulct them of all they can, and threaten to rob them of the whole of their possessions, can hardly hope to be relieved by their benevolence.

It is, in short, difficult to overstate the injury which socialist propaganda has done to social peace and industrial prosperity.

### § 14. Lack of Constructive Policy

(14) *Socialism is devoid of a scheme of construction.* Many socialists freely admit the indictment set forth in the last section. They are out, as the *Communist Manifesto* frankly avowed, to destroy capitalism. Hence they readily recognise the fact that, in order to do so, they will be compelled to ruin industry as at present carried on, destroy commerce, paralyse finance, immensely extend unemployment, vastly increase misery, precipitate civil war. They deliberately set themselves to create disaster and organise chaos in order that thereby they may "shorten the hideous death-agony" of existing society. Like the phœnix, they face the horrors of the conflagration so that from the combustion a new bird may be born.

What is the nature of the new socialistic phœnix? Nay, more, what is the ground of the socialistic faith that any sort of phœnix will emerge from the holocaust? Suppose that civilisation is not of the phœnix order, but merely of the ordinary order of fowls which, if combusted, simply go up in smoke and smell. Rash, indeed, would be the revolutionary who would destroy the present economic system,

which does, after all, succeed in producing an amazing amount of wealth, and in keeping an enormous number of people in comparative comfort—unless he were confident that a superior system would take its place, and unless he were able to define with some precision what the general features of that system would be.

Socialism, however, as we have already seen, is strong only on its negative side. It is a mere destructive force. Of construction, of creation, of productive efficiency, it has no conception. On its positive side it is hopelessly defective and weak. When the socialist is asked how the proletarian paradise is to be organised and governed; how the means of production are to be procured; how industrial efficiency is to be attained; how necessary capital is to be raised; how the service of ability is to be secured; how work would be apportioned; how wealth would be distributed; how values would be determined; how supply and demand would be adjusted; how excessive increase in population would be checked; how surplus labour would be disposed of; how the lazy and criminal would be dealt with ; how liberty would be safeguarded ; how these and a thousand other pressing problems of practical administration would be dealt with—he usually retreats behind vague generalities. Because, if he ventures to make any precise statement, on the one hand, he commits himself to the wildest absurdities, and, on the other hand, he brings down upon himself the violent denunciations of other socialists who do not agree with him.

Messrs. Towler and Ray, in their useful collection of anti-socialist material entitled *Socialism ; its Promise and Failure,* have brought together a num-

ber of illuminating confessions of constructive impotence and positive ignorance on the part of socialist leaders. The following are typical utterances. (i.) Mr. Keir Hardie says: "To dogmatise about the form which the socialist state shall take is to play the fool. That is a matter with which we have nothing whatever to do. It belongs to the future, and is a matter which posterity alone can decide. The most we can do is to make the coming of socialism possible in the full assurance that it will shape itself aright when it does come. As for progress and development under socialism, these may be safely left to care for themselves." Mr. Hardie seems to have had a strange idea as to what constitutes a fool, and a touching faith in the capacity of posterity to clear up the mess made by their socialistic ancestors. (ii.) Mr. Laurence Gronlund exclaims: "Socialists do not profess to be architects; they have not planned the future in minute detail." He might have gone further and have said that they have no sort of agreement upon even the broadest outlines of a plan. (iii.) Mr. W. D. P. Bliss, the American Christian socialist, assures us that "to the future the future may be left," and that consequently "socialists to-day spend little time in dreaming of the future." Enough for them the loot of the moment, and the brief felicity to be derived from the partitionment of existing wealth! (iv.) Mr. John Spargo contends that "it would be absurd and contrary to socialist principles to attempt to give detailed specifications of the socialist state." (v.) Herr Karl Liebknecht, the German socialist leader, kindly allows that "everyone may conceive the socialist state as he pleases." (vi.) Mr. H. G. Wells admits that socialism is "vague, divided, and unprepared" to undertake

the work of reconstruction; it is, indeed, he sadly confesses, "in a large number of cases scarcely more than a resentful consciousness in the expropriated masses of social disintegration." In other words, it is about as hopeful a principle of positive integration as would be indigestion. He agrees that "a council of democratic socialists in possession of London would be as capable of an orderly and sustained administration as the Anabaptists in Münster." With a full knowledge of the doings of John of Leyden and his seventeen wives in Münster in 1534-35, we may cordially concur!*

Mr. Orth well sums up the case against socialism as a practical policy when he says that, though strong in criticism, "as a reconstructive process it is hopelessly at sea," adding, "I have asked many socialist leaders to give me some hint as to what form their society of to-morrow will take. Every one has dodged. No one can tell."†

The wise words of M. Gustave Le Bon may fitly conclude this section, and serve as a warning to those who would rashly commit the future of humanity to mere wreckers who have not the pretence of an agreed idea as to how they are to remake the society which they are out to destroy: "La destruction d'une société peut être fort rapide, mais sa reconstitution est toujours très lente. Il faut parfois à l'homme des siècles d'efforts pour rebâtir péniblement ce qu'il a détruit en un jour."‡

* For fuller quotations and references see Towler and Ray, *Socialism: its Promise and Failure* (1920), pp. 123-139.

† Orth, S. P., *Socialism and Democracy* (1913), pp. 12-14.

‡ Le Bon, G., *Psychologie du Socialisme* (1898), p. iii.

## § 15. Failure to Function

(15) *Socialism has universally failed in practice.* We have seen how on general principles we may unhesitatingly condemn and reject a system which is strong only to criticise and destroy, but impotent to design and construct. We are not, however, left for guidance wholly to the light of general principles. Fortunately for us—however unfortunately for its victims—socialism in most of its protean forms has been put to the test of experiment, and in every recorded case it has proved to be a disastrous and spectacular failure. "What really condemns socialism as a working system," says Mr. Headley, "is that socialists themselves are able to quote no instance of its success, though experiments by the hundred must have been tried. It fails to produce wealth."* That it should fail to produce wealth is no marvel; for, as we have observed, it is specially devised to destroy all the main motives which hitherto have led men to labour, to invent, to organise, to save, to invest, to buy and to sell. Up to the present time, indeed, one of the main tasks of socialist writers has been to explain away the uniform and universal failure of every socialistic experiment hitherto attempted. No doubt, if socialism should ever be tried on a large scale in this country, its advocates will be well provided with all sorts of ingenious excuses for its inevitable and colossal collapse. We can only hope that such of its victims as survive may derive adequate consolation from the demonstration. It would appear that when socialism fails (as it

* Headley, F. W., *Darwinism and Modern Socialism* (1909), p. 293.

always does) it has not had a fair trial; whereas if capitalism fails (as it does sometimes) the failure is due to its inherent defects!

Space here is wholly lacking for details of the humiliating but illuminating history of the monotonously regular decline and fall, in long unbroken succession, of communistic utopias, co-operative workshops, collectivist enterprises, socialistic settlements. Most of the outstanding examples have been already indicated in previous pages of this book. It must suffice now briefly to recapitulate them.

First, we have the complete economic failure of all the ancient, mediæval, and early modern experiments in communism, such as that of the primitive Christian church of Jerusalem. All the communistic communities sank into destitution; most of them were disrupted by dissensions; some of them fell into abysses of moral degradation. In the end they everywhere died away, their surviving members being reabsorbed into sensible society.

Secondly, we have to note the still more rapid and disgraceful collapse of all the utopian experiments made by the Saint-Simonians, the Owenites, the Fourierists, and the Icarians, at the beginning of the nineteenth century. Records of some eighty of them have been collected by Messrs. Noyes, Nordhoff, and Hinds.* In essence the story of Owen's New Harmony (1825), the Brook Farm Phalanx (1842), Cabet's Icaria (1848), and the other equally complete if less resounding failures, is the same; it is the story of the evolution of incompetence, indiscipline, indolence, indifference, and insanity, to their logical

* Noyes, J. H., *History of American Socialism* (1870); Nordhoff, C., *Communistic Societies* (1875); Hinds, W. A., *American Communities* (1878).

conclusion in chaos and bankruptcy. Mr. Skelton justifiably remarks: "The burden of failure cannot be shifted. Whenever the stimulus of individual and family interest was withdrawn, disaster followed, except in a few cases where religious fanaticism and monastic discipline supplied a centripetal force in substitute."* The lesson of these early nineteenth-century utopias is amply confirmed by the lurid record of the brief and tempestuous existence of William Lane's New Australia, as set forth in Stewart Grahame's remarkable book entitled *Where Socialism Failed* (1912, cheap edition, 1924). All these utopias failed in spite of the fact that circumstances were as a rule peculiarly favourable to them; for their founders usually received free grants of land; they were well supplied with capital from individualistic sources; they were protected from molestation by the police of benevolent capitalist states; they were in touch with a wealthy world from which they could draw contributions, and into which they could at any time send their surplus population; they were supported by select bands of enthusiasts who were keenly concerned to demonstrate the validity of their dogmas to an observant earth. Yet, in spite of all that, they failed. In what conceivable circumstances, then, we may ask, could utopian socialism succeed ?

Thirdly, we must mention in passing the lamentable non-success of the experiments in co-operative production made by the Christian socialists in England, and by the followers of Louis Blanc in France, round about 1850. Though not socialistic in the strict sense of the term, they serve to emphasise the fact that wherever, as under socialism, the

* Skelton, O. D., *Socialism, a Critical Analysis* (1911), p. 93.

stimulus of hope of gain and fear of loss is removed, production languishes, industry declines, efficiency falls, and ruin supervenes.

Fourthly, more particular attention must be paid to the general failure of collectivism—that is, of the conduct of the business of production, distribution, and exchange of wealth by public authority, whether central or local. Collectivism, again, as we have already remarked,* is not necessarily socialism; but it does represent a type of organisation akin to the socialistic, in which private enterprise is superseded, competition eradicated, and the individual subordinated to the community. Hence the failures of collectivism are rightly regarded as throwing light upon the prospects of the success of state- and municipal-socialism proper. An examination of the working of the post-office, of state-railways throughout the world, of state-mines, of state-shipping companies and of other state-concerns, shows that in general private enterprise provides a far more efficient and less expensive service than any supplied by public authority. The security given by monopoly, the absence of competition, the lack of stimulus to energy and inventiveness, the impotence of the consumer, the many opportunities for slackness and self-indulgence enjoyed by the producer, the non-necessity either of economy on the one hand, or of profit-making on the other—these and countless similar debilitating influences produce a spirit and a habit of life fatal to economic success. "Every public official," says Mr. Simonson, "is in a tacit conspiracy with every other public official to get as much from the public, and to do as little for it, as possible." This is what "production for use and not for profit"

* Above, pp. 74-83, and 299-300.

comes to in practice. As to government departments themselves, they are, adds Mr. Simonson, "everywhere characterised by the minimum of intelligence requisite for their necessary work, by the constant tendencies towards incompetence, laziness, dishonesty, and wastefulness."* Mr. John Rae, in the course of a very able examination of the advantages and disadvantages of state-socialism, says: "It has one great natural defect—viz., its want of a personal stake in the produce of the business it conducts, its want of that keen check on waste and that pushing incentive to exertion which private undertakings enjoy in the eye and energy of the master. This," he adds, "is the great tap-root from which all the usual faults of government management spring—its routine, its red-tape spirit, its sluggishness in noting changes in the markets, in adapting itself to changes in the public taste, and in introducing improved methods of production."† M. Gustave Le Bon‡ and M. Paul Leroy-Beaulieu§ give vivid pictures of the extravagance, wastefulness, procrastination, formalism, corruption, and general unserviceableness that have characterised collectivism in France. Mr. Archibald Hurd‖ and Major Leonard Darwin¶ make less lurid but not less inpressive revelations of the general failure of state and municipal excursions into the sphere of industry and commerce throughout

* Simonson, G., *Plain Examination of Socialism* (1900), pp. 114-115.

† Rae, J., *Contemporary Socialism* (1891), p. 409.

‡ Le Bon, G., *Psychology of Socialism* (English Translation, 1899), pp. 171-177.

§ Leroy-Beaulieu, P., *Le Collectivisme* (fifth edition, 1909), Appendix.

‖ Hurd, A., *State Socialism in Practice* (1925).

¶ Darwin, L., *Municipal Trade* (1903).

the British dominions. Experience, indeed, shows conclusively that collectivism has few of the merits which socialists assert it ought to have, and that it has countless defects to the possibility of which they are totally blind. But collectivism does not become socialism until it begins to eliminate the capitalist and expropriate the landlord. And socialism which does these things remains socialism, even though it abandons collectivism and takes to syndicalism and guildism.

Hence, finally, there can be no doubt respecting the full-blooded socialism, or even the complete communism, of some of the attempts to realise Marxism made throughout the world in recent years, as a sequel to the Great War. Dr. Arthur Shadwell has provided us with a masterly account of these Marxian experiments—based largely on observations made during personal visits to the countries concerned—in his notable book suggestively entitled *The Breakdown of Socialism* (1926). He examines the desperate and wholly unsuccessful efforts made to get socialism of an extreme type to work in Russia, in Germany, and in Austria; and also the half-hearted but equally futile attempts to get socialism of a milder type to function in Sweden, Bohemia, and Denmark. For details I must refer my readers to Dr. Shadwell's decisive pages.

Bolshevik Russia, of course, comes in for fullest consideration; for there the ground was cleared by ruthless Marxian fanatics who shrank from no measures, however violent and (according to bourgeois standards) immoral, which they regarded as necessary to establish the ideal Marxian regime. Dr. Shadwell describes the process by which land, banks, industries, mines, railways, all things, were

"socialised"—*i.e.*, appropriated without compensation, and generally with murder. He then traces the effects of "socialisation" in the decline of agriculture, the extinction of industry, the subjection of the trade unions, and a fall in the general standard of living to destitution point, until "economic ruin reached its climax at the beginning of 1921." Next he describes the introduction of the "new economic policy"—*i.e.*, the return to capitalism, with private enterprise, competition, profit-making, high salaries, wages dependent on efficiency, and all the other concomitants of capitalistic economy, under which some partial return towards prosperity has begun. But he shows that even now—such has been the effect of but four years of Marxian madness—housing is worse, unemployment more rife, conditions of labour severer, the state of women and children incomparably more degraded than in the darkest days of the tsardom.

Germany provides the second example of the total failure of socialism in practice. When in 1918 the socialists suddenly found themselves in office and in power, they displayed a complete lack of all constructive programme. All they could do was to appoint a commission of enquiry, and to make the fatal confession that "the existing system of private enterprise must be retained for the present, in order to restore production and trade"! As to the "Spartacists"—the Marxian extremists who made their bid for control in January, 1919—they were purely destructive. The years since 1919 have seen a steady movement away from socialism, the most notable feature of which has been the *de*nationalisation of the coal mines.

Austria, Sweden, Czecho-Slovakia, Denmark, simi-

larly, although in varying ways, manifest the impossibility of social democracy in practice, and the necessity of retaining in industry and commerce the stimulus which is inherent in capitalism. When Dr. Shadwell asked in Denmark what the government was doing to realise socialism, the answer he received was: " Putting socialists into administrative offices " !

Dr. Shadwell's summary runs: " Socialism, put to the test of experiments as never before, has totally failed to realise expectations. In Russia, where it started full steam ahead, it brought the nation to ruin and compelled a retreat. . . . Elsewhere the alternative policy of gradual socialisation stuck fast at the outset through the inherent difficulties of the problem, and the lack of an acceptable formula for solving it." In short, everywhere and at all times socialism has failed in practice. It is, as Sir Lynden Macassey has well said, a toy without works. But a curious " toy " ! Perhaps more correctly it might be described as a weapon of destruction which by no conceivable ingenuity can be converted into a constructive tool; a sword which cannot be beaten into a ploughshare.

# CONCLUSION

# CONCLUSION

## § 1. The End of the Matter

"In plain terms, the Communist Party is a failure; the I.L.P. is played out; the S.D.F. is a mere haven of refuge for socialists ill at ease in other groups; the Fabian Society is a mere table-rapping voice from the dead; and the Guild-Socialist movement almost non-existent as an effective force."—G. D. H. Cole.

The task which I set out to perform is now accomplished. I have, however cursorily and superficially, surveyed the vast field of socialism, analytically, historically, and critically. First, I have tried, amid a mass of conflicting definitions, to discover the essential characteristics of socialism, and I have summarised the results of my enquiry in six propositions which, on the one hand, display logical coherence and completeness, and on the other hand, have behind them the support of high socialistic authority. The criteria thus arrived at I have used as a means for distinguishing socialism from systems or movements with which it is often confused, and in particular from communism, which is more than socialism, and from collectivism, which is less. Secondly, I have examined the records of the past in order to find out how far socialist ideas can be discerned in the literature of earlier ages, and to what extent experiments of a socialistic nature have been made by former generations of men. The conclusion to which I have come is that, although some of the features of socialism are discernible both in ancient

writings—*e.g.*, Plato's *Republic*—and in historic institutions—*e.g.*, mediæval monasticism—socialism in its full and complete form is a phenomenon uniquely associated with the modern, and still unfinished, industrial revolution. I have endeavoured to trace the sources of its theory to three springs—viz., to French sociology, English economics, and German political ideology; and to show how the three streams which flowed from these three respective springs were combined in a furious revolutionary flood by Karl Marx. After dealing at length with Marxian socialism—the only kind of first-rate practical importance—I have shown how, since the death of Marx in 1883, the Marxian system—if I may change the simile—has collapsed as an intellectual edifice from the sheer rottenness of its foundations, and from the mere weight of the absurdity of its towering superstructure; but that its integrity is still persistently proclaimed by the dictators of the revolutionary underworld, because, in the realm of fantasy, it provides as no other form of socialism does a pseudo-economic and pseudo-ethical justification for the predatory individualism which is the real motive force at the back of the social revolution. Finally, I have turned to a critical examination of socialism in its six essentials, and have pointed out that, although it has rendered some useful service to the cause of humanity by its vivid description of existing social evils, and by its passionate appeal for their removal, these services are a totally inadequate compensation for the incalculably great injuries that it has wrought by means of its false diagnosis of the diseases of society, and its prescription of a corrosive and paralysing poison in place of an effective remedy.

Hence the sum of the whole matter is that I entirely agree with those who see in socialism one of the main causes of our industrial troubles during the past half-century, and one of the gravest of existing menaces to the future peace and prosperity of the world in general, and of Britain and the Empire in particular. I agree with Lord Rosebery when he says: "The great danger is socialism. . . . Socialism is the end of all—the negation of faith, of property, of the monarchy, of the Empire."* I agree with Mr. Boris Brasol when he contends that "both labour and industry must be protected against socialist agitation which threatens to ruin not only the existing order but also every attempt to improve it and to ensure social progress and general prosperity."† I agree with Mr. Austin Hopkinson when he asserts that "socialism, once the dream of kindly but foolish men, has become a monstrous tyrant, spreading abroad envy, greed, and hatred, holding mankind from the path of true progress, and even striving to drag the human race back to the beasts from which it sprang."‡ Finally, I agree, too, with M. Gustave Le Bon when he warns us that unless we bestir ourselves and defend our civilisation from this new subversive peril we shall deserve our fate, however deplorable it may be."§

Socialism, in short, in all its protean forms, seems to me to be either a delusive snare or a devastating

* Raymond, E. T., *The Man of Promise* (1923), p. 228.

† Brasol, B., *Socialism versus Civilisation* (1920), p. 59.

‡ Hopkinson, A., *Hope of the Workers* (1923), p. 12.

§ Le Bon, G., *Psychologie du Socialisme* (1898), p. 464: "L'histoire qui connaîtra les ruines qu'aura causées notre faiblesse, l'écroulement des civilisations que nous aurons si mal défendues, ne nous plaindra pas et trouvera que nous aurons mérité notre sort."

terror. (1) *Sentimental socialism* of the simple Saint-Simonian sort is mere regimented pauperism, hardly relieved from unmitigated boredom and complete stagnation by licensed sensuality and chronic recrimination. (2) *Bureaucratic socialism* of the Fabian type is little more than a vicious kind of state capitalism in which, on the one hand, energy and initiative are strangled by red-tape, fettered by formalism, discouraged by being robbed of their natural rewards, and penalised by persecution; and in which, on the other hand, the lazy, the inefficient, the degenerate, the corrupt, are fostered and pampered, indulged and encouraged to breed, by every device which mistaken philanthropy can invent. (3) *Marxian socialism*, which in its higher powers becomes communism, has in it more of the definitely criminal than of the merely mad: it is, in the last analysis, not so much (like Fabianism) systematised insanity, as (like syndicalism) rationalised robbery. From what we have seen of Bolshevism in Russia, Spartacism in Germany, Red Revolution in Mexico and elsewhere, we know what to expect when Marxism secures control anywhere. We know that it means an upheaval of the criminal underworld, manifesting itself in an orgy of indiscriminate plunder, reckless arson, bestial debauchery, sanguinary massacre, and fiendish cruelty.* Well said Professor

* In *The Times* of January 12, 1928, was a telegram from Shanghai which quotes a Swatow correspondent on the communist reign of terror in the Haifung and Lufung districts. He says: "It is not merely massacre, but massacre with fiendish delight in cruelty and in gloating over the agonies of the victims. . . . Those are regarded as fortunate who are summarily shot or beheaded, but many poor wretches have undergone the agony of dismemberment or the historic slicing process with new refinements of cruelty before they were allowed to die."

Flint, more than thirty years ago, with prophetic prescience, "At present our civilisation has an underside to it of terrible menace. The socialism of our day is a real Cave of the Furies. The socialist spirit must be expelled before there can be social peace."* With such a spirit no terms can be made. "Though many, indeed most, questions can be settled by compromise, a few cannot. Invasion by a foreign foe is one; communism is another."†

With this word I might appropriately close my survey. I do not, however, like to close it on a merely negative note of criticism and condemnation. For, although I have felt compelled, on the balance of good and bad, unhesitatingly and emphatically to denounce socialism as an unprecedented menace to progressive civilisation, I have not, I trust, conveyed the impression that I regard the world as it exists to-day as a perfect place, or as incapable of immense amelioration. I am, indeed, vividly aware of its defects, and intensely alive to the urgent need for many a radical reform. It is, in fact, precisely because I ardently desire to see the way clear for social reform of a sane sort that I feel it necessary for the community to sweep the obstructive lumber of socialist fallacy and folly, together with the horrible barricades of communist fury and criminality, out of the way of progress. For between socialism, which aims at subverting and supplanting the present capitalist system, and social reform, which aims at improving its working, removing its abuses, and perpetuating it, no compromise is logically possible. "If they [the social reformers]," says the artless Mr. Gronlund, "could succeed, the wage-

* Flint, R., *Socialism* (1895), p. 395.

† Carthill, A., *False Dawn* (1926), p. 123.

workers would be rendered almost satisfied with their lot as wage-slaves, and be reconciled to the wage-system—just what the partial success of the trade unions in England, unfortunately, seems to have done with the British wage-workers."* If, on the other hand, the socialists could succeed, slackening energy, failing enterprise, diminishing productivity, decaying industry, contracting markets, vanishing credit, dwindling reserves, growing pauperism, increasing recrimination, violent schism, and suicidal civil war, would soon put any sort of ameliorative reform out of the range of possibility.

If, then, socialism is the way not of reform but of revolution; not of construction but of destruction; not of progress but of reversion to primitive barbarism—if this is so, what, it may be asked, is the straight path towards a better condition of things? How can the widespread poverty, the paralysing unemployment, the profound misery, of multitudes of the labouring population around us be relieved?

A better way to put the question would be: How can the pauper proletariat be stimulated, encouraged, aided, and enabled to raise itself? For no individual can ever really be saved by society; and no society can ever really be saved except by the regeneration and revivification of its individual members. The social question is at bottom a question of personal character, and the patent defects of society are the accumulated consequences of the defects of human nature. No change whatsoever in institutions, and no conceivable improvement in environment, will suffice to deliver from damnation a community devoid of intelligence and vigour,

* Gronlund, L., *Co-operative Commonwealth* (1886), p. 71.

addicted to debilitating vice, and seduced into self-complacency and class animosity by socialistic error.

"The soul of all improvement," as Horace Bushnell used to say, "is the improvement of the soul." To discuss, however, the implications of this great utterance in a postscript to a critical survey of socialism is as manifestly impossible as it would be palpably out of place. I can here say nothing of the religious revival, moral reformation, educational renaissance, and political reorganisation, which the circumstances of the age and the condition of present-day society call for.* It must suffice for me to indicate in this closing section of my work three reforms, within that economic sphere which is socialism's chosen field of operation, that seem to me to be necessary for the future well-being of the community. I can do little more than indicate them; for their detailed discussion would demand another volume. Stated in a sentence, they are (1) in the sphere of production, unrestricted output stimulated by all the possible incentives which individualism can suggest, and assisted by all the aids which science and invention can supply; (2) in the sphere of distribution, a vast addition to those free gifts which nature bestows upon every man (air, light, water, etc.) in the shape of other necessaries and comforts which increased productivity places in practically limitless profusion at the disposal of the community; and (3) in the matter of population, a reduction in the quantity, together with an improvement in the quality, of births.

* I have cursorily treated of these necessary reforms in my two previous books—viz., *Democracy at the Crossways* (1918) pp. 387-440, and *Democracy and Labour* (1924), pp. 207-266.

## § 2. Constructive Reform: (1) Production

One of the most persistent and baseless of socialistic illusions is, as we have seen, the belief that there is somewhere a vast reservoir of wealth, filched from the workers, which, if divided out among those who are alleged to have produced it, would make all of them prosperous and happy. This illusion has been effectively dispelled, for all those whose minds are open to argument, by a number of careful statistical investigations, among which those relating to Great Britain, conducted by Professor A. L. Bowley and Sir Josiah Stamp, stand honourably eminent. Professor Bowley, in his *Division of the Product of Industry* (1919), has demonstrated that, if in the year 1913-14 the total income of Britain derived from domestic sources had been equally partitioned among all the inhabitants of the country, it would have yielded no more than £230 gross per family of five, or £170 net per family, after rates and taxes had been paid, and an adequate sum set aside as capital for the necessary maintenance of industry. Sir Josiah Stamp has shown, from another point of view, that "if we were to deprive everybody in this country of all the income they possess beyond £250 a year, the fund thus created would only be sufficient to give a rise of 5s. a week all round."* In other words, the total amount of wealth produced at the present time is totally inadequate, however divided out, to provide even a tolerably comfortable living for the teeming masses of our population.

Hence the first and most urgent economic need at the moment is for increased productivity. More

* Muir, R., *The Socialist Case Examined* (1925), p. 4.

—much more—wealth is required, if the general standard of living is to be raised. "No distribution of the present wealth of the world," says Dr. Flint, "would give plenty to everyone. . . . Even in those trades where there are the largest capitalists, were the workmen to obtain all the profits of the capitalists for themselves, in scarcely any case would they receive four shillings a week more than they do."* The theme of the opening section of Mr. Hartley Withers' impressive *Case for Capitalism* is: "A great increase is needed in the output of goods and services that mankind enjoys."† In a similar strain Mr. W. B. Faraday concludes his vigorous dissertation on *Democracy and Capital*, arguing that the prosperity of labour must come, not from the plunder of old wealth, but from the creation of new wealth: "unless more wealth is produced," he says, "no scheme of social reform could possibly succeed."‡ Even Mr. G. A. Greenwood, who writes from a benevolently socialistic point of view, admits that "we do not produce more than one-third of the necessaries vital to a decent standard of life for the entire population."§

Now this under-production, with its corollary of under-consumption, is a most anomalous condition of things. For, as Mr. G. B. Dibblee truly remarks, "The productive power of modern industry is so tremendous that a comparatively small amount of capital laid down in some dozen suitable English, German, and American towns with a well-trained industrial population would be able to produce most

* Flint, R., *Socialism* (1895), pp. 261-262.
† Withers, H., *Case for Capitalism* (1920), pp. 16-23.
‡ Faraday, W. B., *Democracy and Capital* (1921), p. 281.
§ Greenwood, G. A., *England To-day* (1922), pp. 103-104.

kinds of goods capable of indefinite multiplication sufficient for the whole world."* The productive power of modern industry is, indeed, almost limitless. Within the boundaries fixed by nature in accordance with the law of diminishing returns—boundaries so broad that they have not as yet come even into sight—it has a capacity to provide " enough for all, enough for each, enough for evermore." The resources of capitalism—that is, of free enterprise, of invention, of discovery, of scientific management—have up to the present been no more than sampled; they have never been allowed full play. Writing many years ago, ere some of the most striking of the recent developments had taken place, " a German pseudonymous author, Atlanticus, attempted to determine the measure in which social wealth could rise if all production were organised according to the principles of modern technical science, and he arrived at the conclusion that in agriculture, for instance, the number of labourers could be reduced by 60 per cent., whilst the value of products would be doubled. In general, he said, concerning the whole national economic structure, the doubling of labour income, and simultaneously the curtailing of labour-time by one-half, is possible."†

Why, then, are not industry and agriculture—" organised according to the principles of modern technical science "—allowed so to produce wealth as to provide the means of physical well-being for the whole community ? The restrictions are purely artificial. Employers limit output for fear of " spoiling the market." Trade unions hamper production, by

* Dibblee, G. B., *The Laws of Supply and Demand* (1912), p. 34.

† Tugan-Baranowsky, M., *Modern Socialism* (English Translation, 1910), pp. 103-104.

a thousand repressive regulations, for fear of causing unemployment. Mutual jealousies and suspicions between capital and labour in countless ways impede efficiency, keep prices high, kill profits, foster ca' canny, depress wages, stop the creation of wealth, precipitate bankruptcy. What is needed is that in this country—as is actually the condition in America—a close and cordial alliance should be concluded between capital and labour for the maximum production of commodities. Workmen should save; should pool their savings; should invest; should become capitalists, and secure a source of income independent of the fluctuations of employment. Trade unions should use their accumulated funds, not to finance strikes which bring nothing but disaster and ruin on all concerned, but to purchase shares in the businesses with which they are concerned, or to start businesses of their own. Not only should capital hire labour, paying it the highest possible wages that prosperous enterprise permits, but labour should hire capital, making it its servant, but at the same time readily rendering to it the interest which is its due, and recognising the indispensable service which it renders to productive industry. Jealousy should cease, giving place to cordial co-operation. Employers should not grudge the payment of even princely wages earned by skilled and devoted labour; workmen should not envy or strive to curtail the high salaries paid to competent directors and managers, or the large profits which go to capital embarked on novel and risky enterprises when they are successful. The three well-known canons of American industrialists are the sound ones: highest possible wages; highest possible output; highest possible profits. Above all,

it should be remembered that " work makes work "—in other words, that cheap coal, cheap transport, and cheap raw materials, stimulate industry, increase effective demand, and bring general prosperity.

If only all the factors in production—capital, business management, inventive ability, science and art, manual labour, commercial enterprise, transport, finance—if only all unite to provide goods of all sorts such as the community desires, in the largest profusion, and at the lowest possible cost—profits and wages can be largely left to take care of themselves. For one of the governing truths of economics, because one of the fundamental facts of human nature, is that the wants of man are limitless. No sooner is one want satisfied, than another becomes clamant. When men have all they need of food, clothing, and house accommodation, then their desires reach out to books, pictures, amusements, recreations, comfort, luxury, and all the wonders of

> " That untravelled world whose margin fades
> For ever and for ever, as we move."

Hence, as employment of one sort after another—employment in the lower and more mechanical ranges of activity—reaches saturation point, employment in the higher ranges of activity opens out in endless vistas and countless varieties—*for such as are mentally and morally capable of entering upon it.* But this brings us to the population problem—the problem of the quality of the people—of which more in a moment.

### § 3. Constructive Reform: (2) Distribution

If, however, we have this unrestricted productivity, one fact has to be faced, and it is a formidable fact.

It is this: that if modern scientific industry is allowed full scope, if present-day machinery, driven by the enormous mechanical power now available, is permitted to do all of which it is capable, an enormous mass of low-grade manual labour will be rendered superfluous. The late Lord Leverhulme, for instance, shortly before his death, formulated a scheme which proposed "to use coal at the pit mouth, converting it into coke for the use of steel-works, using the gas liberated for making electricity, and extracting from the by-products aniline dyes, medicines, and fertilisers"; and he estimated that the adoption of this scheme "would make unnecessary at least half of the labour of the United Kingdom."* Why should the prospect of securing an increased amount of wealth for half the amount of toil fill us with dismay? Who in his own home, or in his own workshop, does not welcome labour-saving appliances? Who, except a person of a vacuous mind, wants employment for its own sake? The aim of common sense and the ideal of a properly constituted society should be, not to "find employment" for anyone, but to provide as large an amount of wealth with as small an expenditure of time and energy as possible. Labour-saving devices should reduce "employment," and especially manual toil, to a minimum, and should leave a much ampler leisure than at present for the development of personality, the exploration of the world, and the delight of existence. There is something wrong in the economics of the

* *What we want and Why* (1922), p. 110. Cf. also Le Bon, G.' *Psychology of Socialism* (English Translation, 1899), p. 218: "We can imagine a future in which the forces of nature will be at the disposition of all our requirements, and will almost entirely replace human labour."

man who can write: "We might pray for a series of fires, accidents, and shipwrecks, which would destroy a third or even a half of the available goods, machinery, stocks, etc., in order to produce a demand for the replacement of these things, which in turn would set the wheels of industry revolving anew."* There is something wrong, too, in the organisation of a society which, having secured the payment of reparations from Germany in respect of her war-guilt, was unable to accept the payment, because it would have had to be made in commodities, the "dumping" of which upon our shores would have meant the glutting of our markets, the ruin of our industries, and widespread unemployment. In other words, we have not yet ceased to regard employment as an end in itself, instead of a mere means to an end; and we have not yet learned how to deal with the store of the new wealth which is actually ours, still less with the future wealth which is potentially ours. Men like Mr. Robert Williams go so far as to rejoice in the destruction of wealth, because it gives the unemployed an opportunity of making it over again! Their ideal of industry would appear to be the digging of holes in the ground, and the filling of them up again, in an infinite series of operations, at wages fixed by a trade union!

The normal demand for employment is simply a demand for wages. And who wants wages for their own sake? Money, as such, is worthless. The demand for wages is simply a demand for food, clothing, house accommodation, and the other necessaries, comforts, and luxuries which in an economically organised society money can buy. If, then,

* Williams, Robert, in *What we want and Why* (1922), p. 58.

any of them can be procured for nothing, why should men be made to buy them; why should men be made to toil for them; why should they be compelled to seek and obtain "employment" before they can honourably and without social discredit obtain them? We do not expect men to purchase or to work for the air they breathe, the water they drink, the light which guides them, or the sunshine which warms them. We do not regard it as demoralising that they should receive these gifts of nature freely, for they are lavished by nature equally on all, and their receipt raises no invidious distinctions of caste or class. We even supplement these free gifts of nature by numerous indiscriminate gifts of society—parks, promenades, museums, libraries, picture galleries, open-air baths, orchestral concerts, and so on. And there are few who would contend that the provision of these amenities by the community for the use of all its members is either socialistic or degrading. Nowhere is it more necessary than in the case of these communal enterprises to keep in mind the fundamental distinction between collectivism and socialism pointed out above.* Collectivism is merely the *positive* doing of things by the community—*e g.*, the provision of streets, parks, public clocks, free libraries, and so on; and many of these things are best done by the community in its corporate capacity. They tend to enlarge the sphere of private enterprise, and to leave individual initiative ampler scope for its activities. Socialism, on the other hand, is a *negative* thing: it is not the doing of any number of things by the community, but the prohibition of their being done by private enterprise. That is the curse of socialism; that is

* See pp. 74-83.

why it is so deadly a blight; that is how its presence puts a stop to productive activity.

Why, then, should it be regarded as socialistic, or as demoralising and pauperising if the community—owing to the enormous increase in scientific productivity in both agriculture and industry, owing to the prodigious decrease in the cost of production, owing to the lavish creation of new wealth at the hands of allied capital and labour—finds itself in a position to place all the necessaries and a growing number of the comforts of life gratuitously at the disposal of all its members? There seems to be no reason why, if only production were allowed full scope, it should not be possible to permit every man to take as freely of bread as he now does of water, and to clothe himself with necessary garments with as little thought of payment or of toil as he now bestows when he breathes the fresh air or walks the public street. I do not often find myself in accord with the social and political ideas of Mr. Bertrand Russell, but I agree with him when he says (following Prince Kropotkin) that "provided most people work in moderation, and their work is rendered as productive as science and organisation can make it, there is no good reason why the necessaries of life should not be supplied freely to all."*

The task, however, of bringing the principles of distribution into accord with the new and vast potentialities of production will not be an easy one. It is, indeed, the "unsolved problem" on which Mr. Stephen Leacock dwells with impressive seriousness in his notable book on social justice. "The essential contrast," he says, "lies between the vastly

* Russell, B., *Roads to Freedom* (1918), p. 118; *cf.* also pp. 108, 193, 195.

increased power of production and its apparent inability to satisfy for all humanity the most elementary human wants; between the immeasurable saving of labour effected by machinery, and the brute fact of the continuance of hard-driven unceasing toil." After emphasising the contrast, he continues: "Here, then, is the paradox. If the ability to produce goods to meet human needs has multiplied so that each man accomplishes almost thirty or forty times what he did before, then the world at large ought to be thirty or forty times better off. But it is not. How, then, are we to explain this extraordinary discrepancy?"* He explains it, quite correctly and convincingly, by showing that, on the one hand, we do not produce a tithe of what we might, because "the world's production is aimed at producing values, not at producing plenty";† and that, on the other hand, we do not know what to do with the wealth that is actually produced, because our principles of distribution have not adjusted themselves to the new conditions of the boundless possibilities of the new scientific industry. So, too, Professor J. W. Scott, that excellent economist and effective critic of Marx, touches the same paradox and problem when he says: "The weak spot of competitive capitalism, as we now know it, is its apparent impotence to distribute purchasing-power. It cannot distribute purchasing-power amongst its people in sufficient quantity to enable them to claim products and take them away as fast as the great industrial machine would normally produce them."‡ The attempt to

* Leacock, S., *The Unsolved Riddle of Social Justice* (1920), pp. 16-19.

† Leacock, *op. cit.*, p. 65. ‡ *Spectator*, December 19, 1925.

solve this problem—*i.e.*, to equate the at-present ineffective demand with the at-present excessive supply—is what lends interest to Major C. H. Douglas's otherwise undesirable and impossible credit scheme. It is also what lies behind the wild and ridiculous proposals of the I.L.P. for the nationalisation of the banks and the governmental manipulation of currency. The only operative means at present being taken to face and solve the problem of inadequate distribution is the extremely unsatisfactory one of increasing the poor relief, extending the old-age pension scheme, enlarging the unemployment doles, and in general opening wider the flood-gates of mendicity and charity. All this is extremely unsatisfactory because (1) it carries with it the demoralising taint of pauperism; (2) it draws invidious distinctions between different classes of the community; (3) it does actually take away wealth laboriously earned by one section of the people and transfer it to another; (4) it is operating in a world in which production is so heavily handicapped by artificial restrictions—trusts, combines, tariffs, trade-union regulations, ca' canny, and so on—that there is not enough wealth in existence to go round. Hence excessive charity is not only demoralising to its recipients, it is also an intolerable drain on the resources of profitable industry; it takes, in the form of exorbitant taxes and monstrous rates, and it spends in a dozen socially pernicious ways, the money which would otherwise be invested in wealth-producing enterprises.

The indispensable preliminary to any attempt to readjust the distribution of wealth is an immense increase in the production of wealth. If, and only if, the potentialities of modern scientific industry

are allowed to realise themselves; if, and only if, the fabulous resources which it is within man's power now to secure and control are actually attained and placed at his disposal; if, and only if, these conditions are fulfilled, will it be possible to formulate a scheme according to which all such necessaries of life as can by present-day methods of manufacture or cultivation be supplied in almost limitless profusion at an almost negligible cost shall be placed at the free disposal of all the members of the community without regard to their rank or riches.

At present the vast sums which are recklessly squandered in the name of "public assistance" place a paralysing burden of rates and taxes upon the thrifty and industrious portion of the population, and constitute a sink of demoralisation for the pauper proletariat which battens on the wealth which it does nothing to create.*

This problem, however, of the pauper proletariat raises in an acute form the final question: What would be the effect of the free distribution of the necessaries of life upon the population? To that question we must now turn.

* Mr. Geoffrey Drage renders invaluable service to the British community by drawing attention repeatedly and persistently to the alarming increase in public assistance. An article of his in the *Edinburgh Review* of July, 1921, is typical. In this article he points out that the cost of public assistance, which in 1891 was £25,000,000. had risen by 1921 to £332,000,000; and further that whereas in 1881 only 3·1 of the population were public beneficiaries, by 1921 no less than 58·1 had passed into this condition in some form and to some extent.

## § 4. Constructive Reform: (3) Population

It will be urged against any scheme for the free distribution of the necessaries of existence to the whole community, first, that any community (say a national state, such as Great Britain) which inaugurated such a scheme would at once be subjected to an overwhelming invasion on the part of the pauper proletariat of the world; and, secondly, that the removal of the prudential restraint on the increase of population would speedily cause so vast a rise in the numbers of the community as to render the scheme speedily unworkable and permanently pernicious.

To the first objection it must be replied that, if the experiment of unrestricted production of all sorts of wealth accompanied by free distribution of necessaries were made merely locally—say in a single national state such as Great Britain—it would certainly have to be safeguarded, so long as it remained peculiar, by stringent immigration laws similar to those by means of which America has had to protect her prosperity from submergence by the pauperism of Europe.

The second objection demands more detailed consideration. Does population increase directly with the means of subsistence? If all fear of starvation and nakedness were removed, would a rapid growth of numbers inevitably ensue, and ultimately bring back in an aggravated form the horrors of the slums? Malthus, especially in the first edition of his great work, thought that it would; and there are many present-day authorities who accept his view. Professor McDougall's main objection to communism, for instance, is that under

it "the masses of the people, especially the lowest strata of unskilled workers, would breed enormously, and this great country [America] after a few generations would be filled by hundreds of millions of low-grade population."* If this would be the case under communism—that is to say, when production had declined and when the whole of society had been reduced to one dead level of destitution and misery—what would be the case under a progressive capitalism in which wealth was being created as fast as cumulative invention and advancing science made it possible?

The answer to this crucial question is, I think, that the peril of over-population would not in these conditions of affluence and prosperity be so serious as it is to-day in less favourable circumstances. For it is not among the rich, the well-to-do, the comfortable, that the menacing increase of population takes place to-day, but among the incompetent, the wretched, the feeble-minded, the reckless, the destitute. The birth-rate among the unskilled labourers (213 per 1,000 per annum) is nearly half as large again as the birth-rate among the skilled artisans (153 per 1,000), and almost double of that among the upper and middle classes (119 per 1,000).† The universal rule appears to be that the higher men rise in the scale of civilisation, the more care-free they are, the less they are likely to embarrass themselves and imperil their standard of comfort by excessive over-breeding. It is among the *lazari* of the slums, who have nothing to lose, that the mon-

* McDougall, W., *National Welfare and National Decay* (1921), p. 6.

† Carr-Saunders, A. M., *The Population Problem* (1922), p. 317.

strous propagation of the surplus population takes place. And there is no reason to suppose that—barring the immigration of the *lazari* of other countries—this excessive reproduction of the unfit would be in the least degree increased by any change in economic conditions. For even at present whatever checks upon increase were in old days imposed by famine, pestilence, and war, have all been removed by philanthropy; no one is allowed to die of hunger; devastating diseases are suppressed by sanitary science, while modern warfare has no use for the "C 3" degenerate.

Hence, in existing circumstances, as certainly as in the circumstances foreshadowed in this section, the problem of the excessive over-breeding of the lower grades of the community—and especially of the feeble-minded and the criminal—is the cardinal problem of civilisation. For while modern industry, modern commerce, modern finance, modern education, modern politics, continually grow in complexity, and make constantly increasing demands for high and higher ability, the demands for mediocre ability and mere manual labour daily decline. Unskilled workmen are a pitiful drug in the market; while the feeble-minded are an appalling burden upon an over-crowded community.

Nowhere does socialism more clearly display its failure to face reality, or its lack of relation to the actual needs of society, than it does in its attitude to this population question. Socialist writers, as a rule, mention Malthus only to denounce him; and to the overwhelming demonstrations of the critical importance of the eugenic problems given by such writers as Cox, Inge, Carr-Saunders, Sanger, McDougall, Armstrong, and Swinburne, they remain

obtusely blind.* "Encourage the people to have children," writes even one of the most moderate and sensible of them, "and give every child a welcome and a reasonable start in life. . . . I would boldly declare for a state scheme for the endowment of motherhood."† Mr. Ramsay MacDonald, according to Dr. Beattie Crozier, "proposes to allow the vast miscellaneous tail of the casual, unskilled, incapable, and slum-dwelling wreckage to breed freely, multiply, and stagnate in their millions unchecked—with their complement of alien paupers added—until, like the tail of a comet, they fill the whole belt of heaven, and sprawling out to infinity threaten to blot out the very stars."‡ Socialists, in short, while imposing restrictions, suppressing freedom, and crushing individuality, just where these qualities are most desirable and beneficent—viz., in the sphere of the production of wealth—give unrestrained play to individualistic licence in precisely that sphere where it is most pernicious socially and most certainly destructive of civilisation—viz., in the sphere of the reproduction of the species. "The most urgent problem of to-day," rightly says Dr. Margaret Sanger, "is how to limit and discourage the over-fertility of the mentally and physically defective."§

This is no place in which to discuss in detail the solution of this problem. All who are interested in social questions should read with sympathetic atten-

* For the writings of the authors here mentioned consult the bibliography at the end of this volume.

† Thomas, J. H., *When Labour Rules* (1920), pp. 79-80.

‡ Crozier, J. B., *Sociology Applied to Practical Politics* (1911), p. 55.

§ Sanger, M., *The Pivot of Civilisation* (1923), p. 39.

tion some such book as Mr. A. M. Carr-Saunders' *Population Problem*, or Professor W. McDougall's *National Welfare and National Decay*. Suffice it to say that by some means or other—by postponement of marriage, by continence, or by birth-control—the present excessive rate of increase must be drastically reduced; and, further, by some means or other—by segregation or by sterilisation—the reproduction of the feeble-minded in all ranks and stations of society must be wholly prevented. Only so can our civilisation hope to escape submergence and suffocation by its own waste products. "The question of population," as Mr. Ludovici rightly remarks, "is one respecting which it is madness to maintain an attitude of indifference or unconcern. The rulers of this country can as little afford to ignore the consideration of the multiplication of its inhabitants as they can afford to ignore the consideration of the nation's finances. . . . If the state takes upon itself to shoulder the burden of indigent degenerates of all kinds, it is entitled to impose limits upon their multiplication."*

## § 5. Summary

I have said all that there is here room to say. The constructive scheme which I have foreshadowed will not be easy of realisation; but no one with any experience of social problems will expect it to be so. Nevertheless, it seems to me that the first three steps of the difficult way are moderately clear. The first is to secure the removal of all the hindrances which at present hamper the production and ex-

* Ludovici, A., *False Assumptions of Democracy* (1921), pp. 213-215.

change of wealth, so as to procure the largest possible dividend for the community as a whole. For this end the closest and most cordial alliance between capital, ability, and labour will be necessary; each one of the three being allowed to reap its full reward without jealousy on the part of the other two. The second step is to restrict the quantity and improve the quality of the people in such a way as to stop the flood of superfluous unskilled labour which congests the world of industry, and still more stringently to quench the prolific fertility of the swarming *lazari* who fill the reeking slums, provide the mass of the unemployable, and constitute the rank and file of the allied armies of the criminal and the communist. The third step will not then present insuperable difficulties, the step, namely, of so reorganising distribution that gradually all the necessaries and an increasing number of the comforts and luxuries of life may be made freely accessible to every member of the limited and regenerated community.

But before any of these steps can be taken the spell which socialism has cast over labour must be broken, and the menace of communism be removed.

# BOOK LIST

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